BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]
Complaint No. 187 of 2024

Dated: 4th July 2025

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

M/s Pristine Estate Villa Owners Maintenance Mutually Aided Co-operative Society Ltd.

(Rep by Sri R.Hrudaya Ranjan, Office at Sy. No.159,
162P, Club house Pristine Estates, Tellapur Road,
Gopanpally Village, Serlingampally Mandal,
Ranga Reddy District – 500019))

…Complainant

Versus

1. M/s. Prathima Infrastructures Limited

(representative bySri Boinpally Srinivas Rao,
having Registered officr at Prathima,
Jubilee hills, plot no. 213, Road o.1,
Film Nagar, Hyderabad - 500096.)

2. Sri Boinpally Srinivas Rao

(Plot no.32,HUDA Heights, Road no.12,
Banjara Hills, Hyderabad- 500034)

3. Smt. Boinpally Usha Rani

(Plot no.32,HUDA Heights, Road no.12,
Banjara Hills, Hyderabad- 500034)

4. Smt Ch.Vinoda

(R/o 8-2-293/82/ML/42, MP and MLA Colony,
Road no.10C, Jubilee Hills, Hyd- 500045)

5. Smt. Ch. Rajyalaksmi

(R/o Flat no.12, Ramakrishna Residency
Road No.12, Banjara Hills, Hyderabad, 500034)

6. Smt. Mahdhavi

(R/o Plot no.48, Bhagyanagar Extension,
Phase – III, Near Jalavayu Vihar Colony,
Kukatpally, Hyderabad- 500085)

7. Sri B Ravinder Rao

(R/o Flat no.202, Prathima Residency,
King Koti Road, opp Bhartiya Vidya
Bhavan Hyd- Telanngana)

8. Sri B Vinod Kumar

(Plot no.48, Bhagyanagar Extension,
Phase – III, Near Jalavayu Vihar Colony,
Kukatpally, Hyderabad- 500085)

9. Smt. K Shailaja

(R/o Flat no.501, Prathima Xanadu Dwarakapuri
Colony, Punjagutta, Hyderabad – 500082)

10. Sri B Muralidhar Rao

(R/o H.no.3-1-178, Kakatiya Colony, Hanamokonda,
Warangal, District – 506011- Telanngana)

…***Respondents***

The present matter, instituted by the Complainant, was taken up for hearing on 02.07.2025 before this Authority. The Complainant was represented by Learned Counsel Mr. Hirendranath and Ms. Sanjana S. Rao. Respondents 2 to 10 were represented by Learned Counsel Mr. Kondaparthy Kiran Kumar. However, despite filing a reply, there was no representation on behalf of Respondent No.1 in any of the subsequent hearings. Upon perusal of the material available on record, and after hearing the submissions advanced by the Learned Counsel for the respective parties, and having reserved the matter for consideration, this Authority now proceeds to pass the following **ORDER:**

2. The present Complaint has 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 relief(s) against the Respondent.

A. BRIEF FACTS OF THE CASE, AS STATED BY THE COMPLAINANT:

3. It is submitted that the Respondents have advertised the sale of Villas for a gated community called "Pristine Estates" located at Tellapur Road, Gopanpalle Village, Serilingampalli Mandal, Ranga Reddy District 500019 ("Project"), and have promised to provide state-of-the-art facilities in the Villa's in the Project including clubhouse, Children's Play Area, swimming pool, Outside Play Area etc. A copy of the brochure for the Pristine Estates Project circulated by the Respondents

4. It is submitted that lured by the promises made by the Respondents, members of the Complainant Association have entered into Sale Deeds and Sale cum Construction Agreements for the purchase of Duplex Houses/Villas, with Respondents No. 2 to 10. It may be pertinent to state that the Sale Deed being a registered document supersedes all other contracts between the parties. The Vendors in the Sale Deeds have clearly and unequivocally transferred all rights in the property sold to the Purchasers. Copies of sample Sale Deeds/Sale cum Construction Agreements.

5. It is submitted that in all the aforesaid Sale Deeds/ Sale cum Construction Agreements, Respondents No. 2 to 10 have held out that the layout/construction/development was being done on the basis of a GHMC (Greater Hyderabad Municipal Corporation) Building Permit order No: 2581/HO/WZ/Cir-11/2010 dated 08.06.2011 ("Sanctioned Plan") in the name of Respondent No. 1. The Sanctioned Plan is for the development of layout with a residential gated community consisting of ground + 1st floor for 105 independent houses, Ground +2 upper floors for amenities block, & Stilt + Upper 3 floors for 6- Units LIG & 6-Units EWS, which has expired on 07.06.2014. A Copy of the GHMC Building Permit order No: 2581/HO/WZ/Cir-11/2010 dated 08.06.2011 and the site/layout plan sanctioned by the Commissioner, GHMC.

6. It is submitted that it is apparent from the Sale Deeds/Sale cum Constructions Agreements that Respondents No. 2 to 10 have jointly with a view to develop the land for the Project, made the layout and sold plots for constructing Villa's thus, actively promoting the Project called Pristine Estates, and therefore falls within the ambit of the definition of "Promoter" as defined under Section 2(zk) of the Real Estate (Regulation and Development) Act, 2016.

7. It is submitted that the Respondents No. 2 to 10 have thereafter failed and neglected to complete the construction of the Villas/development of the Project as per their advertisement/promises. It is submitted that the Respondents No. 2 to 10 have virtually abandoned the Project and only 48 Villas have been fully constructed out of the proposed 105, and 9 other Villas which have been sold are currently under construction or are yet to commence construction. Furthermore, after repeated failures to complete and hand over the Villas as per the deadlines stipulated in aforesaid Sale cum Construction Agreements, the said Respondents have advised the plot owners to complete the pending constructions themselves, forcing the plot owners to take upon themselves the onus of construction of the Villas.

8. It is submitted that as of date, the Respondents No. 2 to 10 have not provided the occupancy certificates to several members of the Association whose Villas have been fully constructed, and in certain cases, the occupancy certificate has been provided to members of the Association whose villas are still under construction. The present status of the construction in the Project is as follows:

S.no	Category	Total Number
1.	Villa owners with a completed villa and an Occupancy Certificate.	23
2.	Villa owners with a completed villa, without an Occupancy Certificate.	13
3.	The number of villa owners with a villa that is under construction without an Occupancy Certificate.	19
4.	Villa owners with a villa that is under 2 construction with an Occupancy Certificate.	2
5.	Total Villas	57

9. It is therefore submitted that the development of the layout/construction of Villas is clearly in violation of the Sanctioned Plan.

10. It is submitted that the Respondents No. 2 to 10 have not only failed to provide any amenities as promised and as is required to be provided under the Sanctioned Plan, but the Villa owners have had to incur expenditure on their own for amenities due to the utter negligence and disinterest of the Respondents in providing the same. It is submitted that the Respondents No. 2 to 10 have been holding themselves out as developers/promoters and have been negligent in giving any support or rendering any help to the Villa owner/ plot owners, who have purchased the Villas/plots out of their hard-earned money lured by the advertisements/promises of the Respondents, from time to time.

11. It is submitted that in order to protect the Villa owner's/ plot owner's interests, the Villa Owners/plot owners in terms of the Sale Deed/ Sale cum Construction Agreements, formed an Association on 21.10.2022 consisting of 57 members who are representatives of 57 Villas that are currently completed or under construction in the Pristine Estates gated community. It is submitted that in any event, the Villa owners have a right to form an Association to protect their rights in the Project and therefore, the formation of the Association is legal and valid, and cannot be questioned by the Respondents.

12. It is submitted that despite the Respondents No. 2 to 10 having collected a corpus fund from the Villa owners, they have failed to provide any amenities or undertake maintenance of the gated community as promised in the advertisement/brochure as well as under the various Sale Deeds/Sale cum Construction Agreements executed with the Villa owners. Therefore, the Complainant Association was constrained to collect monies from the members to accumulate a corpus fund and have used the said money to complete the long pending issues related to amenities within the community including some aspects of the clubhouse, which was only for the use of the Villa owners, at their own cost. Additionally, the Complainant Association having noted the lack of security arrangements in the gated society, has installed boom barriers, at their own cost, for the welfare of the residents of the gated community. It is submitted that for all intent and purpose, the safety/maintenance/upkeep of the entire Project is being borne by the Complainant Association, without any complaints from any member.

13. It is submitted that despite being obligated to do so, the Respondents No. 2 to 10 have continued to keep the water and electricity supply to the Villas in the Project in a consolidated commercial supply rather than placing all the occupied villas under individual residential supply, stating that the costs of the Electricity and Water will be on a pro-rata basis but charging the Villa owners commercial rates. It is further submitted that Respondent No. 2 has been threatening to cancel essential water and electricity to the members of the Complainant Association for not paying the maintenance, which is completely illegal.

14. It is submitted that thereafter, to their shock and surprise, the members Complainant Association received a letter dated 09.05.2024 from Respondent No. 2, inter alia claiming that the said Respondent is forming an association of the Villa owners to ensure the handover of the common areas to GHMC, and in turn to the said association. In the said letter, Respondent No.2 has further sought clearance of backlog maintenance charges @ Rs. 4 per sq. ft/ month of the built-up area of the respective villas, from all the villa owners.

15. It is submitted that in response to the aforementioned letter dated 09.05.2024, the Complainant Association has issued Letter dated 03.06.2024 to Respondent No. 2, categorically stating that they have already formed the Association and that the Association has been taking steps for the upkeep of the gated community and its amenities, due to the inaction and negligence of the Respondents to take steps to form the association and handover the common amenities, which has been delayed for over a period 13 years. It is

submitted that in reply to the Complainant's letter dated 03.06.2024, they have received a letter from Respondent No. 2 dated 13.06.2024, simply reiterating his intention to form an association of the Villa owners and also further threatening to disconnect the water and electricity connection of the villa owners on their failure to pay the maintenance dues for 2 consecutive months.

16. It is submitted that being surprised by the aforesaid letters, the Complainant has tried to seek information, vide letter dated 24.06.2024 issued to Respondent No. 2, but has received no response regarding details of the Project/owners/promoters/permissions etc. It is submitted that Respondents No. 1 to 10 have held themselves out as promoters/developers of the Project and are therefore under law required to comply with all obligations for construction, completion and handing over of the Project to the Association. It is submitted that the Project is clearly covered now under the provisions of the Real Estate (Regulation and Development) Act, 2016 ("RERA"), as there is no valid building permission. The Sanctioned Plan earlier obtained is in the name of Respondent No. 1 and has expired on 07.06.2014. It is submitted that in the letter dated 24.06.2024, the Complainant has therefore pointed out that the Villa owners/plot owners are fully entitled to form an Association under the provisions of the RERA and thus, there is no requirement to form another association.

17. It is submitted that thereafter, Respondent No. 2 vide Letter dated 26.06.2024 addressed to a member of the Complainant Association, has alleged that the Project is not governed under the provisions of the Real Estate (Regulation and Development) Act, 2016, citing G.O.Ms. No. 202 dt. 31.07.2017, but has deliberately suppressed the fact that there is no valid permission from any authority as the earlier permission/Sanctioned Plan was valid only till 07.06.2014.

18. It is submitted that strangely Respondent No 2 has again in letter dated 08.07.2024, addressed to a member of the Association claimed that he is the "de facto legal owner and developer of the Pristine Estates layout", without stating as to what his authority is and whether he is the developer/promoter, especially given that the Sanctioned Plan has expired on 07.06.2014. Further, the approval is in the name of Prathima Estates Ltd. i.e. Respondent No. 1, a company and not on any individual person.

19. It is submitted that on receiving no response from the Respondents, the Complainant has sent a Legal Notice on 06.08.2024 to Respondents No. 1 to 10, calling upon the Respondents to inter alia acknowledge the Complainant Association as a legitimate and valid

association, as well as comply with the provisions of RERA. It is submitted that Respondents No. 1, 2 & 3 have received the said legal notices, while notices to Respondents No. 4 to 10 have been returned stating that 'the address does not exist' and 'no such person is residing'. A copy of the Legal Notice dated 06.08.2024 issued by the Complainant Association to Respondents No. 1 to 10

20. It is submitted that in response to the Complainant's Legal Notice dated 06.08.2024, the Complainant has received a reply dated 12.08.2024 from Respondents No. 2 & 3, wherein they have prima facie denied the claims of the Complainant and have sought 30 days' time for a detailed reply. The Complainant Association have thereafter replied to the aforesaid notice, vide notice dated 19.08.2024, stating that the 30 days' time as sought by Respondents No. 2 &3 is unreasonably long and have directed the said Respondents to comply with their demands within 7 days from the date of issue of the Complainant's reply.

21. It is submitted that the Complainant has received a Notice dated 27.08.2024 from Respondent No. 1, stating that they have no agreement or contract with the Complainant. The reply is evasive and it indicates that the Respondent No. 1 in collusion with the Respondents No. 2 to 10, is attempting to set up a false case. It is relevant to state and repeat that the Sanctioned Plan is in the name of Respondent No. 1 and has expired. It is submitted that Respondent No. 2 has also vide reply dated 27.08.2024 sought time and have stated that he has no relationship to nor executed any document with the Complainant, which clearly shows that the Respondents are trying to avoid the issues raised by the Complainant including the recognition of the Complainant as a legitimate representative of all the Villa owners, contrary to the provisions of RERA.

22. It is submitted that thereafter, the Complainant has received a detailed reply dated 04.09.2024 from Respondent No. 2 & 3, again inter alia claiming that Respondents No. 2 & 3 are the sole 'de facto and de jure' owners/developers of the Project and that they have no relationship to nor executed any document with the Complainant. Respondents No. 2 & 3 in the aforesaid reply have further stated that they do not recognise the Complainant Association or that the Project falls under the ambit of RERA. The reply of Respondents No. 2 & 3 is evasive and contradictory and it is clear that Respondents No. 2 to 10 are trying to avoid the provisions of RERA on some false and flimsy grounds. Copy of the detailed reply dated 04.09.2024 issued by Respondent No. 2 & 3 to the Complainant.

23. It is submitted that in view of the aforesaid circumstances, the Complainant does not have any other remedy but to approach this Hon'ble Authority and seek reliefs stated hereunder, for the following reasons:

24. It is submitted that Respondent No. 2 has applied for building permission on behalf of Respondent No. 1 as is clear from the fact that the developer/builder is shown as Prathima Estate Ltd in the Sanctioned Plan.

25. The permission under the Sanctioned Plan was granted on 08.06.2011 and is valid only upto 07.06.2014. The Respondent No. 2 has no permission on his own and therefore, the provisions of RERA are applicable and the Respondents No. 2 to 10 have to register the Project under RERA. It is further submitted that any construction or operation of the Project by Respondents, pending the afore mentioned registration is thus, illegal and in violation of provisions of the RERA.

26. It is further submitted that the intent of the Legislature while enacting the RERA was to make compulsory the registration of all real estate projects including ongoing projects, for which no completion certificate was obtained. This is clear from judgement of The Hon'ble Supreme Court in Newtech Promoters and Builders v. State of U.P., [(2021) 18 SCC 1].

27. The Rules therefore cannot exclude Ongoing Projects where completion certificates have not been issued, as the same would be contradictory to the main Act.

28. The Complainant submits that in any case Respondents No. 1 to 10 have no valid permission and hence, the Project is clearly covered by the provisions of RERA.The Complainant Association is the legitimate and valid "association of allottees" under RERA.

29. It is submitted that under Rule 2(b) of the Telangana Real Estate (Regulation and Development) Rules, 2017 the "association of allottees" is defined as follows:

Rule 2(b) "association of allottees" - means a collective of the allottees of a real estate project, by whatever name called, registered under any law for the time being in force, acting as a group to serve the cause of its members, and shall include the authorized representatives of the allottees;

30. It is submitted that the Complainant Association is an association formed by a majority of allottees of the Project (57 out 105) and is a registered mutually aided Co-operative Society. It is submitted that nowhere in the RERA or the accompanying Rules does

it state that the association of allottees cannot be formed by the allottee's suo moto and only has to be formed by the promoter. The promoter is merely obligated to enable the formation of the association under section 11(4)(d) of RERA, within 3 months of the majority of allottees having booked their plot or apartment or building, as the case may be, in the project, which the Respondents have failed to do. Thus, the Respondent No. 2 cannot attempt to invalidate the Complainant Association by forming another association of allottees, especially considering that the Complainant Association has been formed in compliance with the provisions of RERA.

31. The Complainant Association is entitled to the transfer of the common amenities in its favour by a registered conveyance deed executed by the Respondents. It is submitted that it has come to the notice of the members of the Complainant Association that the Respondents have been making attempts to sell/mortgage the clubhouse to third parties in order to avail bank loans, which is illegal and in violation of the provisions of RERA. It is submitted that the clubhouse (amenities block as per the Sanctioned Plan) falls within the purview "common areas" as defined under section 2(n) of RE(R&D) which reads as follows:

Section 2(n): "common areas" mean--
(1) the entire land for the real estate project or where the project is developed in phases and registration under this Act is sought for a phase, the entire land for that phase;
(ii) the stair cases, lifts, staircase and lift lobbies, fire escapes, and common entrances and exits of buildings;
(iii) the common basements, terraces, parks, play areas, open parking areas and common storage spaces;
(iv) the premises for the lodging of persons employed for the management of the property including accommodation for watch and ward staffs or for the lodging of community service personnel;
(v) installations of central services such as electricity, gas, water and sanitation, air-conditioning and incinerating, system for water conservation and renewable energy;
(vi) the water tanks, sumps, motors, fans, compressors, ducts and all apparatus connected with installations for common use;
(vii) all community and commercial facilities as provided in the real estate project;
(viii) all other portion of the project necessary or convenient for its maintenance, safety, etc., and in common use."

32. It is submitted that the clubhouse/amenities block has been clearly demarcated to be part of the entire land allocated for the Project as per the Sanctioned Plan, and therefore falls within the ambit of "common areas" under RERA. It is further relevant to state that the Respondents have also collected non-refundable deposits from all the Villa owners towards the common amenities as per the various Sale Deeds/Sale cum Construction Agreements

executed with the said Villa owners, which also includes the construction and development of the clubhouse.

33. It is submitted that sections 11(4)(e) and 17 of the RERA clearly provide that the promoter shall transfer the undivided proportionate title in the common areas to the association of allottees via a registered conveyance deed. It is submitted that the Complainant Association is the valid and legitimate 'association of allottees' for the Project and is entitled to the transfer of the common areas/common amenities including the clubhouse in its name, by the Respondents. Therefore, any act of mortgage/sale/assignment of the rights over the clubhouse by the Respondent in favour of a third party is violative of the provisions of RERA.

34. It is submitted that the present complaint is filed against Respondents No. 1 to 10 for the following defaults/violations under RERA:

a) Violation of Sections 3 and 4 of RE(R&D) Act by not registering the Project and by continuing to advertise the Project;
b) Violation of Section 11(3)(a) of RE(R&D) Act, by not providing the sanctioned plans, layout plans, along with specifications approved by the competent authority;
c) Violation of Section 11(3)(b) of RE(R&D) Act by not providing the stage-wise time schedule of completion of the Project, including the provision of civic infrastructure like water, sanitation and electricity;
d) Violation of 11(4)(b) of RE(R&D) Act by not providing the occupancy certificate to the Villa owners;
e) Violation of Section 11(4)(d) of RE(R&D) Act by not providing and maintaining the essential services, on reasonable charges, till takeover of the maintenance of the Project by the Association;
f) Violation of Section 11(4)(e) & (f) & Section 17 of RE(R&D) Act by not transferring the title of the amenities of the gated community to the Association and further attempting to transfer/mortgage/misuse of the common areas, including the clubhouse to a third party;

35. The Complainant submits that the Respondents are threatening to transfer/mortgage/create a charge over the common areas/common amenities including the clubhouse to third parties as well as prevent the various service providers from providing the service of maintenance and upkeep of the amenities in the Project. It is submitted that any

such action by the Respondents would not only be illegal but cause grave loss and injury to Villa owners who will be deprived of their rights as Villa owners apart from being deprived of basic amenities.

36. The Complainant submits that they have received an email from one of their service providers stating one Mr. Harsha Chellikani, who has held himself out as the CEO of Prathima Group, has contacted one of the Complainants' vendors, threatening the said vendor to cease providing his services for maintenance of the Pristine Estates gated community and refrain from entering the Pristine Estates premises. Furthermore, the said Mr. Harsha Chellikani has threatened the Complainant's vendor with legal consequences if he continues to provide his services for the maintenance of the gated community. The Complainant has sent a Legal Notice for the same to Respondent No. 1 & 2, to cease/refrain from threatening or intimidating the service providers in the club as well as interfering with the Complainant's rights to run and maintain the clubhouse.

37. It is submitted that in response to aforesaid Notice dated 28.08.2024, the Complainant has received a reply from the Respondent No. 1 dated 06.09.2024, simply reiterating their response in their earlier reply dated 27.08.2024.

38. It is therefore, clear from the above that the Respondent without any rights to the clubhouse is now attempting to blackmail and intimidate the members of the Association and the Villa owners and any interference by the Respondent in the smooth running of the clubhouse would cause grave and serious prejudice to the Complainant Association and therefore the Respondent is required to be restrained by an order of injunction v) The Complainant has more than a prima facie case and serious prejudice would be caused if an ad-interim order is not granted restraining the Respondents from transfer/mortgage/creating a charge/interfering with the common areas including the clubhouse, pending disposal of the complaint. The Hon'ble Authority is empowered under Section 36 of the RERA to pass such an order.

B. RELIEF(s) SOUGHT

39. It is submitted that in view of the facts stated above, and the clear violation of the various provisions of RERA, the Complainant is entitled to the various reliefs including interim reliefs under RERA. The Complainant prays that the Hon'ble Authority may be pleased to grant the following reliefs to the Complainant:

(i) To order the Respondents to undertake and complete registration of the Project under the provisions of the RERA and the accompanying rules;

(ii) To order the Respondents to provide the occupancy certificate to the Villa owners/plot owners, to whom the said certificates have not been provided;

(iii) To declare that the Complainant Association is entitled to ownership and possession of the common areas/common amenities including the clubhouse and further order the Respondents to execute a registered conveyance deed conveying the title over common areas/common amenities including the clubhouse, in favour of the Complainant Association.;

(iv) To order the Respondents to refund the payments made by the villa owners/plot owners towards the construction of the clubhouse along with interest;

(v) To order the Respondents to refund the corpus fund collected by the Respondents from the individual Villa owners, along with interest;

(vi) To order the Respondents to transfer essential electricity and water supply to the Complainant Association, in a residential capacity;

(vii) Pending the final adjudication of the complaint, pass interim orders restraining the Respondents from interfering in any manner with the maintenance, upkeep, and functioning of the common amenities/areas of the Project, including the clubhouse, which is being managed by the Complainant Association and its members; and

(viii) Such other relief(s) that this Hon'ble Authority deems fit.

C. RESPONDENT 1 REPLY:

40. Respondent No.1, P. Anil Kumar, S/o P. Madhusudana Rao, aged about 47 years, Vice President, Prathima Infrastructure Ltd., having its office at 213, Road No. 1, Film Nagar, Hyderabad – 500096, Telangana, submitted Reply stating that he is authroitsed to depose and the counter may be read as part and parcel of the counter filed by the Respondents 2 to 10.

41. It is submitted that this Respondent is in no way connected to the affairs of the complainant association because no agreements are entered with M/s Prathima Infrastructure Ltd, and no documentation has been done with my official capacity I, P. Anil Kumar,s/o P.

Madhusudana Rao, aged about 47 yrs, Vice President, Prathima Infrastructure Ltd, having its office at 213, Road No. 1, Film Nagar, Hyderabad 500096, Telangana,

42. It is submitted that this Respondent is in no way connected to the affairs of the complainant association because no agreements are entered with M/s Prathima Infrastructure Ltd., and no documentation has been done in the official capacity.

43. It is submitted that there is no jurisdiction vested on the Authority, as the complaint is not maintainable, as the provisions of RERA are not applicable to the project. Because the Telangana State Real Estate (Regulation and Development) Rules, 2017 shall be applicable for the Real Estate Projects of Telangana, whose building permissions were approved on or after 01/01/2017 by the competent authorities, and had therefore excluded the applicability of the Act and the Rules to those projects for which building permissions were already received. Thus, the present complaint ought to be rejected as the present dispute is in respect of the *Pristine Estates*, whose permission was granted in the year 2010–2011.

44. It is submitted that all buyers of the villas were issued the copies of all link documents. The Complainant has to go through all the contracts and the link documents to arrive at the title of the Sellers. Specific attention is invited to the Power of Attorney issued in favour of Sri B. Srinivasa Rao under an Agreement and not as pure Agent. It is as per the law that Respondents 2 & 3, i.e., Sri B. Srinivasa Rao and Smt. B. Usha Rani, are the owners of the project in view of the irrevocable Powers of Attorney as per the Agreement. The fact was informed to the Complainant, but they refused to take cognizance of the fact. The fact that the Construction Agreements were entered by Sri B. Srinivasa Rao with some of the buyers clearly proves the above facts. Hence, it is a misconception of law.

45. For the above-mentioned reasons, this Respondent is not a necessary party to this complaint, and the complaint has to be dismissed for misjoinder of parties. There are no merits in this complaint; hence the same may be dismissed in limine.

D. RESPONDENTS 2 TO 10 REPLY:

46. Respondent No.2, B. Srinivasa Rao, S/o Sri B. Muralidhara Rao, aged about 63 years, Resident of Plot No. 32, HUDA Heights, Road No.12, Banjara Hills, Hyderabad-500034, Telangana, submits that, Respondent No.2 is the spouse of Respondent No.3 and is the General Power of Attorney (GPA) holder of Respondents 4 to 10 by virtue of GPA No.610/2006 dated 08.11.2006 issued by Ch. Vinodha W/o Vidya Sagar Rao (Respondent

No.4); GPA No.423/2006 dated 19.07.2006 issued by Ch. Rajyalakshmi, B. Madhavi, and B. Ravinder Rao (Respondents 5, 6 and 7); and GPA No.100/2011 dated 01.12.2011 issued by B. Vinod Kumar, B. Shailaja and B. Muralidhar Rao (Respondents 8, 9 and 10). As such, Respondent No.2 is authorised to depose and submit this reply on behalf of Respondents 2 to 10, being well acquainted with the facts of the matter. All material allegations made in the Complaint are denied, except those specifically admitted herein. Respondents reserve the right to respond to false and baseless allegations intended to obstruct cooperative functioning of community affairs.

47. The present Complaint is liable to be adjudicated strictly in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016, read with G.O.Ms.No.202, Municipal Administration and Urban Development (M1) Department dated 31.07.2017, issued by the Appropriate Government, i.e., the State Government of Telangana. Sub-Rule (2) of Rule 1 of the said G.O. clearly stipulates that the Telangana RERA Rules are applicable only to Real Estate Projects whose building permissions were approved on or after 01.01.2017 by competent authorities such as UDAs, DTCP, Municipal Corporations, Municipalities, Nagar Panchayats, and TSIIC. Therefore, the RERA Rules are inapplicable to projects whose building permissions were approved prior to 01.01.2017.

48. In this regard, it is relevant to mention the 3 Judge Bench of Honourable Supreme Court of India in Civil. Appeal No. 3270 of 2003, ARUN KUMAR & OTHERS Vs. UNION OF INDIA & ORS.,2006 SCC Online SC 966, held that " A "jurisdictional fact" is a fact which must exist before a Court, Tribunal or an Authority assumes jurisdiction over a particular matter. A jurisdictional fact is one on existence or non-existence of which depends jurisdiction of a court, a tribunal or an authority. It is the fact upon which an administrative agency's power to act depends. If the jurisdictional fact does not exist, the court, authority or officer cannot act. If a Court or authority wrongly assumes the existence of such fact, the order can be questioned by a writ of certiorari. The underlying principle is that by erroneously assuming existence of such jurisdictional fact, no authority can confer upon itself jurisdiction which it otherwise does not possess. In Halsbury's Laws of England, it has been stated: "Where the jurisdiction of a tribunal is dependent on the existence of a particular state of affairs that state of affairs may be described as preliminary to, or collateral to the merits of, the issue. If, at the inception of an inquiry by an inferior tribunal, a challenge is made to its jurisdiction, the tribunal has to make up its mind whether to act or not and can give a ruling on the preliminary or collateral issue; but that ruling is not conclusive". The existence of

jurisdictional fact is thus sine qua non or condition precedent for the exercise of power by a court of limited jurisdiction. No authority, much less a quasi-judicial authority, can confer jurisdiction on itself by deciding a jurisdictional fact wrongly. The question whether the jurisdictional fact has been rightly decided or not is a question that is open for examination by the High Court in an application for a writ of certiorari. If the High Court comes to the conclusion, as the learned single Judge has done in this case, that the Income-tax Officer had clutched at the jurisdiction by deciding a jurisdictional fact erroneously, then the assesses was entitled for the writ of certiorari prayed for by him. It is incomprehensible to think that a quasi judicial authority like the Income-tax Officer can erroneously decide a jurisdictional fact and thereafter proceed to impose a levy on a citizen." (emphasis supplied). From the above decision, it is clear that the existence of jurisdictional fact' is sine qua non for the exercise of power. If the jurisdictional fact exists, the authority can proceed with the case and take an appropriate decision in accordance with law. Once the authority has jurisdiction in the matter on existence of jurisdictional fact', it can decide the 'fact in issue' or 'adjudicatory fact'.

49. It is further submitted that The Civil Procedure Code ORDER XIV Settlement of issues and determination of suit onissues of law or on issues agreed upon Rule 2 (2). Court to pronounce judgement on all issues.- (2) Where issues both of law and of fact arise in the same suit, and the Court is of opinion that the case or any part thereof may be disposed of on an issue of law only, it may try that issue first if the issue relates to- (a) the jurisdiction of the Court, or (b) a bar to the suit created by any law for the time being in force, and for that purpose may, if it thinks fit, postpone the settlement of the other issues until after that issue has been determined, and may deal with the suit in accordance with the decision on that issue". Honourable Supreme Court in 2022 SCC Online SC 342 The Agricultural Produce Marketing Committee Bangalore Vs. The State of Karnataka &Ors" 8.3 By way of analogy we observe that while considering Order 14 Rule 2 (as amended w.e.f. 01.02.1997), this court in the case of Nusli Neville Wadia Vs. Ivory Properties &Ors, (2020) 6 SCC 557, has observed and held that after the amendment w.e.f 01.02.1977, though Order 14 Rule 2(2) enables the court to decide the issue of law as a preliminary issue in case the same relates to (i) jurisdiction of court or (ii) a bar to suit created by any law for the time.

50. It is further submitted that it is clear from Page 58 materials filed by the Complainant (Sale Deed - Page 4) which clearly shows the GHMC Building Permit Order No:2581/HO/WZ/Cir-11/2010, dated 08.06.2011 for the Project and is valid for 6 years vide GO Ms. No.7, MA and UD (M1) Department, dated 05.01.2016. The same is valid and we

have received Occupancy Certificate for 74 Villas also from GHMC and the Addl.CCP (HO SLZ), GHMC, vide their Proceedings No.4731/GHMC/SLP/22023-OC, dated 13.12.2023 have stipulated that we have to apply for the final OC for the remaining villas and LIG and EWS Building in addition to handing over the roads and open spaces through registered Gift Deed in favour of Commissioner, GHMC, at the time of obtaining the final OC. Considering the above, the "Jurisdictional Fact" is absent since the Project was approved before 01.01.2017. Hence, no authority is conferred with any powers to apply the RERA Rules of Telangana 2017. The Telangana RERA Rules are applicable ONLY to Real Estate Projects whose building permissions are approved on or after 01.01.2017 by the Competent Authorities viz., UDAS/DTCP/ Municipal Corporations/Municipalities/Nagar Panchayats/TSIIC." In other words, the RERA Rules will be inapplicable to projects whose building permissions were approved prior to 01.01.2017 or upto 31.12.2016. Hence the complaint has to be rejected on that ground itself.

51. It is further submitted that framing of the complaint itself wrongly placed before this Authority because the complainants are not representing the owners of entire community. The owners of, Inner sanctum -Pristine Estates consists of 105 Villas, and 12 LIG flats total 117 owners residing in that community. The complainants without intimation to all owners simply formed an association initially with 14 members and slowly claiming to have added upto 57 members projecting themselves as Pristine Estates Villa owners Association and got it registered with an ulterior motive to defame the owners by raising false allegations against them. The complainants are defaulters of payment of Maintenance charges and deposits to the Owners and to avoid payments they formed into an association and filed the present Complaint, which has to be agitated before civil court because individual grievances can be decided by civil court only. The Association who is not representing all the owners are not supposed to depose before this Honourable Authority that they have formed for maintenance and upkeep of the said gated community. It is clear from the sale deed at page 60 of the materials filed by the complaint clause 4 of SALE DEED "the Vendees here by undertakes to be a member of the association of ALL' the plot owners and to be governed by all rules and regulations of the Association" The Complainants not even informing to the majority of owners formed an association only with an ulterior motive to gain illegal benefits by evading maintenance dues which is a clear mischief and a clear misuse of process of law.

52. Further, the Complainant Members owe maintenance charges to the Respondent @ Rs.4 per sq. ft. per month [please see clause 11(h) on page 98 of Complaint] from the

beginning. There is a breach on the part of the Complainant in payment of the common amenities maintenance @ Rs.4 per Sq. Ft. per month and they have no right to form an association without majority of owners with all these background they came before this authority suppressing all real facts with ulterior motive to gain illegal benefits which is a clear misuse of process of Law.The respondents are maintaining the Project at their cost. Hence, the defaulters have no ground to Complaint and raised all false issues before this Honourable Authority, it is a frivolous complaint with malafide and ulterior motives and deserves to be rejected and dismissed at the threshold.

53. It is submitted that the Complainants' Association is not the Association of all the Plot Owners' in the Project. The Plot Owners in the lay-out are in the process of forming the Association with representation of all the Plot Owners with the assistance of the Project Owner. In this regard a mail dated 9/5/2024 has been sent to all the owners from respondent 2 informing them that he has initiated the formation of association in the name of "Pristine Estates Plot owners Welfare Association" consisting of all plot owners (Total105), attaching application for Membership along with draft Bye-Laws copy. All the Owners are requested to suggest any change in the Bye-Laws within 30 days of that letter. After receiving suggestions the Bye- Laws will be finalized and will be sent for Registration suggestions. The Handing over of Common amenities as per G.OMs.No. 168 dated 7/4/2012, clause 8 sub clause (n) clearly says "that all the open spaces mentioned in this rule shall be handed over to Local Body at free of cost through gift Deed before issuance of Occupancy Certificate. The Society Association may in turn enter into agreement with local Authority for utilizing, managing and maintaining the Roads and open spaces". It is clear from the above rule that the association has to be formed only after the after handing over the open spaces and roads to the GHMC. For the letter dated 9/5/2024, out of 117 owners this respondent received replies from the Villa owners out of which 19 villa owners replied that they have joined with the petitioners association and 9 of the villa owners replied with different opinions without knowing the legal complications. Some of them expressed that they are under the impression the respondents are forming the association. There is a difference of opinion to recognize the association formed by the complainants. Hence their association cannot be continued without acceptance by the majority of land owners and their issues are created only for the sake of evading payment of dues to the Builders/Land owners and they are all playing mischievous acts to defame the land owners. Hence, the Compliant shall be rejected and dismissed at the threshold since it is not representative of all the plot owners in the project.

54. It is submitted that, GOMs No. 168, dated 07.04.2012, Municipal Administration and Urban Development (M) Department as updated. Rule 8 clearly provides that the respective resident society/association should be representative of all plot owners in the project including the owners of LIG houses. No objection could be raised to the joining of the LIG Owners in the Association and this is legally impermissible. Further, all the members have to approve the Memorandum and BYE laws of the Society duly acknowledging the receipt of the copy thereof. Therefore, the Project Approval by GHMC does not confer any vested right on any purchaser to form association of his choice and consequently the Complaint is liable to be rejected and dismissed at the threshold.

55. It is submitted that one of the Sale Deed [page 52-81of Complaint] and Sale cum-Construction Agreement. The Documents clearly provide that the Project is subject to the terms and conditions of the GHMC Building Permit Order No:2581/HO/WZ/Cir-11/2010, dated 08.06.2011 which does not provide that each purchaser has a right to form an association. This pre-supposes the completion of the project, the handing over of the open spaces to GHMC thro' gift deed and then the resident association has to be formed by the Developer and such Association entering into an agreement. Hence, the Complaint is ill-conceived and pre-mature and is liable to be rejected and dismissed at the threshold.

56. It is further submitted that that the above documents Sale Deed and Sale cum-Construction Agreement does not have Prathima Infrastructure Limited as a party to the Document. Therefore, the complaint has to be rejected for mis-joinder of company as party to the Complaint and is an abuse/misuse of the legal process. It is a sale of Single Residential Unit that is ready for sale after inspection and acceptance by Party. The Party have issued satisfactory handing over and taking over the Residential Unit. It is not a sale by Advertisement or by Brochure. The Complainants are put to strict proof that they were issued the Brochure by the Vendor. Hence, the Complaint is an abuse/ misuse of the legal process.

57. It is further submitted that to Clause 13 of sale agreement says at page 122 which clearly reads: "The Purchaser shall have no right whatsoever to obstruct, prevent, hinder or object, on any ground whatsoever, to the construction of Single Residential Units in other plots or in providing common facilities in the Inner Sanctum Lay-Out at any time and without any time limit and the Purchaser shall not raise any objection on whatsoever ground including any alleged dust, noise, pollution, nuisance or annoyance". In this regard, it is informed that the H.H. Business Enterprises LLP, who are experienced in similar line, have been entrusted

the Club House under a registered lease from the land owners of INNER SANCTUM-PRISTINE ESTATES subject to the observance of the terms and conditions of the Sale-cum-Construction Agreement and the Sale Deed to manage the affairs the Club House amenities for a period of 25 years on 13/8/2021 vide Lease Deed Doct. No. 8193/21 rep. by its Manager Smt.Cherukuri Krishna Veni, w/o Cherukuri Shankar Babu.To obviate the disturbance caused from some of the Residents, the Lessee filed a Suit vide O.S.NO.553/2024 , before the Hon'ble 1staddl. Junior civil judge cum ix addl judicial magistrate of first class, rrdt. At Kukatpally and obtained Perpetual Injunction Decree against the defendants therein and their men, not to interfere with their lease hold rights and management rights of the plaintiff in running the Club House and other Amenities during the subsistence of their contract of Lease/Agreement, vide Orders dated 26/9/2024.

58. The same has been circulated to all the plot owners vide letter from HH Business Enterprises on 22.10.2024. In the light of the above judgement and facts the Complainant have no right to obstruct the activities of club house in any manner or the in any other activities of the land owner and if they have any grievance the same has to be agitated before Civil Court but not before this Authority. The Complainants have failed to produce any contract with the said Party. Hence, Prathima Infrastructure cannot be made as party and the complaint has to be rejected on the ground of misjoinder of parties to the Complaint and the arraignment of the Company is wrong and impermissible.

59. It is submitted that there is no jurisdiction vested on the Authority, as the complaint is not maintainable as the provisions of RERA are not applicable to the project. Because the The Telangana State Real Estate (Regulation and Devlopment)Rules, 2017 shall be applicable for the Real Estate Projects of Telangana, whose Building Permissions were approved on or after 1/1/2017 by the competent Authorities and had therefore excluded the applicability of the Act and the Rules to those projects for which building permissions were already received. Thus, the present complaint ought to be rejected as the present dispute is in respect of the Pristine Estates whose permission was granted in the year 2010-2011.

60. It is not an advertisement and the Complainant is put to strict proof. The Complainants are also put to strict proof that any such document in was issued to them. The proof that the same was not issued is evidenced by the Sale Deed and the Sale-cum-Construction Agreement with no citation of the same.

61. It Sale-cum- Construction Agreement Clause 25 on Page 123 of sale agreement says "That the Owners are selling the property to the Purchaser and have completed the construction of the single residential house as per plan attached hereto and as per the construction specifications stated in Annexure-C and no other rights are agreed to." Clause 23 on Page 124 of Sale agreement: "says, Nothing contained in these presents shall be construed as to confer upon the Purchaser any right, title or interest of any kind whatsoever in and/or over the Schedule Property B or any part thereof and such conferment would take place only upon the delivery of the completed construction". Further, Clause 26 of Sale Agreement on Page 126 reads: ". The Purchaser will purchase the Annexure -B free from all encumbrances and irrevocably agree for constructed single residential house by the Owners as stated above for a total consideration of Rs.5,00,00,000/- (Rupees Five Crores only) plus fixed deposits/expenditure for amenities, utilities, applicable sales tax, other taxes, duties, all future levies etc."and the Sale Deed Preamble para 3 on page 92 reads "WHEREAS the Vendees and the Vendors agreed for the purchase and sale of Villa with Plot No:69, admeasuring 600 sq. yards with built-up area of 5700 sq. Feet in the lay-out at the request of the Vendees, more fully described in Annexure-B (Schedule of Plot of Property) at a market value of plot for Rs.1,60,00,000/- (Rupees One Crore Sixty Lakhs only)". If the contention of Complainants be true, the Sale Consideration shall be the same under Sale Deed and Sale-cum-Construction Agreement. Further, an Agreement validly entered into with open eyes cannot be questioned by the Complainant. The Sale-cum-Construction Agreement - Clause 23 on Page 124 above cited clearly states that right, title or interest of any kind whatsoever in and/or over the Schedule Property - B or any part thereof will be conferred only upon the delivery of the completed construction". The Sale Deed and Sale-cum- Construction Agreement can be questioned only in a Civil Court.

62. The Point is legally and factually incorrect and false. The Complainants have filed selective papers of the record of title of the Owners and have suppressed the other record. As submitted above, when the Project itself is not covered under RERA, the Owners cannot be covered as "Promoters". The complaint is misleading this Authority without knowing the correct meaning of the word 'Promoter', in terms of definition of Promoter' under sec 2(zk) of Real Estate (Regulation and development)Act, 2016, Promoter means, (i) a person who construct or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees;' In this

project the complaint is not a dispute or grievance filed by consumer/purchaser of villa in the real estate project. The complainants as admitted by themselves in their sale deed are the owners of the land admeasuring 720 sq. yards with builtup area 6000 sq.feet in the lay out. Hence the complaint cannot frame the respondents as promoter and agitate before this authority. The disputes if any related to contractual liabilities have to be raised only before the Civil Court.

63. The complainant is trying to mislead and prejudice the Authority. The averments that the respondents have failed to complete the villas is nothing but false. The Respondents reserving their right for misleading statements. Out of total 105 Villas most of the villas are completed and 74 villas are received Occupancy Certificate. And possession has been given and others we are waiting for the occupancy certificate. The complainant has to be put strict proof for their statements, 'that the respondents have advised the plot owners to complete the pending constructions themselves, and for the plot owners to take upon themselves the onus of construction of villas'. The above averments are completely false and created for the purpose of complaint. It is clear from verification of copy of Sale- cum-Construction Agreement, the land owner himself is a builder and he is also owner of villas, maintaining the community with his own cost for the sake development of community. The respondents who formed into an association in 2022 without intimation to most of the plot owners purposefully trying to degrade the reputation of the respondents, and not paying the dues for the maintenance of the community and to evade the same filed this complaint with false statements.

64. There is no violation of sanctioned plan. And if there is any violation the builder cannot get occupancy certificate from GHMC. The complainant is misleading this Authority with false statements for which they have to be levied by this Hon'ble Authority with heavy costs. As already submitted above, 74 Villas have received OC and the same can be verified from the GHMC, the Authority for issue of OC. For others also, it is in the process within the rules of GHMC. Principally, the Association has not been recognized by the Developer nor by the Villa Owners in the Project. Even they are not the owners of the Project. The purpose of forming an association of the Complaint is not for the upliftment of the as mentioned in their description, but it is only formed to create false litigations among the members.

65. The complainant has to be put strict proof of the same. The respondents are bearing the cost of maintenance till to today of nearly Rs 17.00Lakhs (Seventeen Lakhs) per month

out of their pocket only not to cause any inconvenience to the residents. Instead, the Complainants are the defaulters of payment of maintenance of the Project. It shall not be mistaken as individual housekeeping. The Complainants owe maintenance charges to the Respondent @ Rs.4 per sq. ft. per month from the beginning. There is a breach by all the Complainants in payment of the common amenities maintenance @ Rs.4 per Sq. Ft. per month. Yet, the respondents are maintaining the Project at Builders cost. The Complainants are put to strict proof of payment. Hence, the allegation is false and an attempt to evade maintenance charges to the Owner. The Sale of Villas is never thro' advertisement but it is purely at the request of the Buyer and upon the terms and conditions of the Sale-cum-Construction Agreement duly agreed to by both, the Buyer and the Owner. It is nothing but misleading the authority for the sake of complaint.

66. Infact, the complainant's association formed without approval of all villa owners and the said association has no representation of all the owners hence cannot be accepted as authentic. The Association will be formed strictly in accordance with the GOMs No. 168, dated 07-04-2012, Municipal Administration and Urban Development (M) Department as updated and this pre-supposes the completion of the project, the handing over of the open spaces to GHMC thro' gift deed and then the resident association has to be formed by the Developer. Any 7 or more number of persons can form an association for any general purpose EXCEPT as provided under the GO above cited.

67. The complaint has to be put strict proof of the same as there is no advertisement for the Villas and brochures cannot be mentioned as advertisements. All the purchasers have come on their own to purchase the villas by spreading the news from mouth to mouth because of the reputation of the Builders/owners. Further the corpus fund collected meant for the maintenance of the community in future whoever takeover the management as per GHMC agreement, but cannot be misused by the individual associations with the name of upliftment. The Complainants are the chronic defaulters of the maintenance as per the contracts executed. The Project maintenance and security is being incurred by the Owner only and not by the Complainants. There are also Buyers owing the Corpus Fund Payment also and it is a matter of record. Hence, the collection of monies by un-recognized Association is illegal unless it is a voluntary fund mobilized by the group for works personal to them and to fulfil the private objective of its members.

68. The complainant misleading this authority without properly putting the real facts in the complaint. As per the sale cum construction agreement at page 64 of the material papers filed by the complainant clause 11 In order to have peaceful and amicable use and occupation of the property by all the residents of the layout the vendee hereby irrevocably agree to abide by the following terms and conditions; Sub clause d) To pay all demands raised by Water works department for providing drinking water connection to the lay out and to the plot from main water line towards material, deposits etc. e) To pay the vendors immediately on demand all costs of external electrification such as meter boxes, fixing meter, laying cables and all demands raised by Electricity Board such as security deposit, service connection charges, voluntary Loan contribution etc.

69. Again at the material papers filed by the Complainant at page 96 of sale deed clause (d) and (e), and at page 123 of material papers filed by them (e) and (f) confirms their obligations instead of fulfilling their obligations the complaints trying ways to evade the payments by filing false cases against the respondents. At page 124 clause 24(c) clearly says that the vendees are bound by the terms and conditions that during the period of pending formation of the association until the completion of sale of the total single residential units; irrevocably agree to the owners managing the amenities and to pay for the common amenities maintenance @Rs. 4 per sq.ft. per month. It is specifically agreed that the Maintenance during the period up to the sale of the total single residential units shall vest unreservedly with the owners only. The representative of 2nd respondent several times requested the complainants to clear all dues but in vain. They are also assured that once they pay the dues the builder cum owner can apply for individual connections on their name, but till today no payments have been done. This complaint is made without appreciation of the Law and the rules and procedures of the Authorities dealing with Utilities. Water will be supplied project wise only and has to be shared by the residents by appropriate procedure. Electricity consumption modalities and sharing of common utilities' share will be worked out after the final lay-out OC is issued by the GHMC as suggested by the Department. Defaulters have no right to services as held by the High Court of Telangana.

70. The representative of 2nd respondent issued a letter dated 9/5/2024 for formation of association following the guidelines prescribed in G.O.Ms.No 168 Municipal Administration and Urban Development (M) Department dated 7/4/2022. And also to pay the dues to the land owner. But the complainant has given a reply with lame excuses without paying the dues. And another letter has been issued to the complaints dated 13/6/2024 seeking their

interest to join their hands to solve the all the issues but the complainant replied posing as if they are representing entire community, which is nothing but false. It is clear that only to evade payments this complaint has been filed with false allegations. Complainants are misleading the court with suppression of facts. When this respondent issued a letter seeking clearance of dues, in-turn this complaint has been filed suppressing the facts.

71. All Buyers of the Villas were issued the copies of all link Documents. The Complainant has to go thro' all the contracts and the link documents to arrive the title of the Sellers. Specific attention is invited to the Power of Attorney issued in favour of Sri.B. Srinivasa Rao under an Agreement and not as pure Agent. It is as per the Law that respondents 2 & 3 i.e Sri B.Srinivasa Rao and Smt. B.Usha Rani are the Owners of the Project in view of theirrevocablePowers of Attorney as per Agreement. The fact was informed to the Complainant but they refuse to take cognizance the fact. The fact that the Construction Agreements were entered by Sri B. Srinivasa Rao with some of the Buyers clearly proves the above facts. Hence, it is a misconception of law.

72. It is to be noted that any Notice has to allow reasonable time of 30 days and cannot dictate or impose the personal whims and fancies of shorter time or any other. Hence this respondent's reply is as per the law and that the Complainant is non-est for the purposes of Complaint.

73. The Project is not covered under RERA and hence there is no Jurisdiction and consequently sub-points (i) to (iv) are inapplicable to the facts of the case and hence no relief. The Case Law (2021) 18 SCC 1 relied on by the Complainant is inapplicable to the facts of the Case in view of the specific law made by the Telangana Government which is the appropriate Government for the RERA and the same is not the case with State of U.P. wherein the dispute is the powers of the Authority where the Law is applicable. Constitutional powers of Telangana Government can be decided only by the Constitutional Courts of High Court and Supreme Court and cannot be decided by the Authority.

74. This project is not covered under RERA. Rule 8 of G.O.Ms.No.168, dated 07.04.2012, Municipal Administration and Urban Development (M) Department as updated clearly provides that the organized open spaces shall be handed over to the GHMC at free of cost through a registered gift deed. This pre-supposes the completion of the project, the handing over of the open spaces to GHMC thro' gift deed. Club House admission is free to all Villa Owners and they have to pay for the Service Charges. This is the practice all over India.

Hence the Complainant members cannot claim since their individual rights are always protected under the Contract of the Sale-cum-Construction Agreement in each individual Buyer case. The Maintenance of Club House is always with the land Owners only and is limited by the rights of the Villa Owners for free admission. For smooth functioning of the club house the same has been given under lease to 'HH Business Enterprises LLP' on 13/8/2021, who filed a suit vide O.S No. 553/2024 and the same has been decreed on 26/9/2024 that they shall not be disturbed during the lease period which has been informed vide letter from HH Business Enterprises on 22.10.2024 (Annexure – 10) to all the plot owners. The Sale Deed also reflecting that the Buyer agrees irrevocably to the land Owner exploring ways and means of meeting the cost and operation of the Club House by permitting non-residents of the Project depending upon the possibilities and subject to other precautions. Hence, the allegation is wild, ill-conceived and mis- stated and hence no relief could be granted.

75. It is submitted that the Complainants are not entitled to ANY relief since:

a) There is no Jurisdiction conferred on the Authority since the Jurisdictional fact that the building permissions approval on or after 01.01.2017 has failed [Rule 1(2) of RERA Rules]
b) There is no Jurisdiction conferred on the Authority since the Complainant Association is not the Association of all Villa Owners in the Project to be formed as per the conditions of the GOMs No. 168, dated 07.04.2012Municipal Administration and Urban Development (M) Department.
c) There is no Jurisdiction conferred on the Authority since the Owners of the Project are not contractually obligated to the Complainant Association and all the contracts are between the Owners and the Buyers.
d) There is no Jurisdiction conferred on the Authority since the Complainant is filed with false statements with ulterior motives and malafides.
e) Any relief cannot be granted since the project is a private project not covered by the RERA provisions. Hence, the Complainants are not entitled to any relief.
f) The Complainant Association is not the Association of all Villa Owners in the Project in terms of GOMs No. 168, dated 07-04-2012, Municipal Administration and Urban Development (M) Departinent as updated and Rule 8 thereof read with (i) GHMC Building Permit Order No: 2581/HO/WZ/Cir-11/2010, dated 08.06.2011, (ii) GO Ms. No.7, MA And UD (M1) Department, dated 05.01.2016, (iii) Addl CCP (HO SLZ),

GHMC, Proceedings No. 4731/GHMC/SLP/22023-OC, dated 13.12.2023, (iv) the Sale-cum-Construction Agreement in each individual Buyer case, (v) the handing over and taking of the completed villa Note executed by Buyer and Seller and consequently no relief can be granted. (g) The Complainants are put to strict proof of payment of construction of club house and hence no consequential reliefs. The Complainants are the awful defaulters of the Maintenance Charges and deposits as per the Sale-cum- Construction Agreement in each individual Buyer case. They may be directed to pay for the same with arrears till date.Further course of action will be as per the Contract(s) citedin (iii) above and the terms and conditions thereof. Noreliefs of any sort may be granted in view of the facts andlaw submitted in the above reply.

E. Observations of the Authority:

76. After we have heard learned counsels for the parties at length, the following questions emerge for our considerations in the present complaint are as under:

Points for consideration:

1. *Whether the present Complaint is maintainable before this Authority under the provisions of the Real Estate (Regulation and Development) Act, 2016 RE(R&D) Act?*
2. *Whether the Complainant Association is a validly constituted Association of Allottees under the RE(R&D) Act and Telangana RE(R&D)Rules, 2017?*
3. *Whether Respondent No. 1 is a misjoined party, or a necessary and proper party to the proceedings?*
4. *Whether the Complainant is entitled to the reliefs sought, specifically?*

    a) *Registration of the Project under RERA*
    b) *(Issuance of Occupancy Certificates to Villa Owners*
    c) *Declaration of Complainant Association's Entitlement to Common Areas*
    d) *Refund of Payments for Clubhouse Construction with Interest*
    e) *Refund of Corpus Fund with Interest*
    f) *Transfer of Electricity and Water Supply to Residential Capacity*

Point 1:

77. The Respondents have raised a preliminary objection contending that the present complaint is not maintainable before this Authority on the ground that the subject Project is exempt from the applicability of the Real Estate (Regulation and Development) Act, 2016 [RE(R&D) Act] and the Telangana Real Estate (Regulation and Development) Rules, 2017, as the Project had received building permission vide GHMC Building Permit Order No. 2581/HO/WZ/Cir-11/2010 dated 08.06.2011, which was valid until 07.06.2014 and

subsequently extended until 07.06.2017 in view of G.O.Ms.No.7 dated 05.01.2016. The Respondents place reliance on G.O.Ms.No.202 dated 31.07.2017, which initially defined the scope of "ongoing projects" and purportedly excluded from the purview of the RE(R&D) Act those projects for which building permissions were granted prior to 01.01.2017.

78. The Complainant, on the other hand, vehemently opposes the said objection and asserts that the Project is squarely covered under the ambit of Section 3(1) of the RE(R&D) Act, as the Project has not yet obtained a final Occupancy Certificate (OC), and construction activities are admittedly ongoing. It is further submitted that in light of the authoritative pronouncement of the Hon'ble Supreme Court in *Newtech Promoters and Developers Pvt. Ltd. v. State of Uttar Pradesh &Ors.* [(2021) 18 SCC 1], the RE(R&D) Act has retroactive application to all "ongoing projects" that have not received a completion certificate or occupancy certificate as on the date of commencement of the RE(R&D) Act.

79. To appreciate the controversy, it is necessary to refer to the plain language of Section 3(1) of the RE(R&D) Act, which reads as follows:

> *No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act:*
> *Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:*
> *Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.*

80. A plain reading of the provision reveals that any project for which a completion or occupancy certificate had not been issued as on the date of commencement of the RE(R&D) Act is required to be registered with the Authority and is, therefore, amenable to the jurisdiction of this Authority.

81. This Authority notes that Rule 2(1)(j) of the Telangana Rules, as originally notified under G.O.Ms.No.202 dated 31.07.2017, defined "ongoing projects" to exclude projects that had received building permission prior to 01.01.2017. However, this Authority has consistently taken the view that such exclusion was in direct conflict with the parent statute

and the legislative intent underlying Section 3 of the RE(R&D) Act, and therefore cannot prevail over the substantive provision of the statute. It is a settled position in law that subordinate legislation cannot override the parent statute. Further, considering Hon'ble Supreme Court in *Newtech Promoters* (supra), wherein it was held that "*the Act has retroactive application and covers all projects that were ongoing on the date of its commencement and which had not received a completion certificate".*

82. Further, this Authority takes judicial notice of G.O.Ms.No.60 dated 04.03.2025 issued by the Government of Telangana, which amended Rule 2(1)(j) to align with the central enactment. The amended Rule now defines "ongoing project" as:

> *"Ongoing Project" means a project where development is going on and for which Occupancy certificate or completion certificate from the competent authority has not been issued as on date of coming into force as per sub section (1) of section 3 of Real Estate (Regulation & Development) Act, 2016.*

83. This clarification conclusively removes any ambiguity and reinforces the position that the applicability of the RE(R&D) Act hinges not on the date of building permission but on the existence (or absence) of an occupancy or completion certificate.

84. In the present case, it is not disputed by the Respondents that the Project has not been fully completed and that occupancy certificate has been issued only for 74 out of 105 villas. The Respondents themselves have, in their reply, admitted that they are yet to apply for the final Occupancy Certificate covering the remaining villas and associated infrastructure, including LIG and EWS components.

85. This factual admission by the Respondents that the development is not yet complete and that occupancy certificate is pending for a substantial portion of the Project leaves no room for doubt that the Project is "ongoing" within the meaning of Section 3(1) of the RE(R&D) Act. The jurisdictional fact, therefore, clearly exists. The continuing nature of the development and the lack of final statutory approvals place the Project squarely within the regulatory ambit of this Authority.

86. It may also be noted that mere invocation of building permission issued prior to 01.01.2017 cannot be a defense to evade statutory obligations, when the actual possession and completion of the Project extend well into the post-RE(R&D) Act regime. The respondents' repeated attempts to question the jurisdiction of this Authority, despite factual

admissions regarding non-completion, is not only misplaced but also an attempt to subvert the intent and mandate of the RE(R&D) Act.

87. In view of the above findings, this Authority unequivocally holds that the Project in question qualifies as an "ongoing project" under the Real Estate (Regulation and Development) Act, 2016. Consequently, the preliminary objection raised by the Respondents is devoid of merit and stands rejected. The present complaint is held to be maintainable before this Authority.

Point No. 1 is answered accordingly.

Point 2:

89. For this purpose, reference may be made to Rule 2(b) of the Telangana Real Estate (Regulation and Development) Rules, 2017, which defines an "association of allottees" as:

> *(b) "association of allottees" means a collective of the allottees of a real estate project, by whatever name called, registered under any law for the time being in force, acting as a group to serve the cause of its members, and shall include the authorized representatives of the allottees;*

90. In the present case, the Complainant Association stands registered under the Telangana Mutually Aided Co-operative Societies Act. On the final date of hearing, the Respondent submitted a Memo dated 02.07.2025, stating that W.P. No. 18220 of 2025 had been filed before the Hon'ble High Court of Telangana, raising issues concerning the procedural validity of the said association's formation. It is noted that the Hon'ble High Court, in the said matter, has directed the parties to maintain status quo as on the date of its order

91. This Authority observes that the complainants have approached this forum in their capacity as a collective of allottees of a real estate project duly registered under the RE(R&D) Act, seeking redressal of their grievances.

92. Insofar as the procedural aspects of the association's registration are under judicial scrutiny, this Authority refrains from making any observation or finding on that issue. However, the pendency of the said writ petition and the direction to maintain status quo cannot operate to defeat or delay the complainants' right to seek remedies under the RE(R&D) Act..

93. This Authority, therefore, confines its consideration strictly to whether the complainants being a collective of allottees have the legal competence to file the present complaint under the Act. In light of Rule 2(b), which recognises a collective of allottees as an association of allottees, this Authority finds no impediment in treating the complainant Association as a validly constituted body for the purpose of the present proceedings.

94. It must also be observed that the Respondents' assertion that an association can be validly formed only after execution of gift deeds and complete handover of common areas is misplaced and contrary to the spirit and express provisions of the RE(R&D) Act. Section 11(4)(e) casts an obligation upon the promoter to facilitate the formation of an association of allottees, and the statutory intent is to empower allottees to act collectively in matters concerning their residential community.

95. The Respondents' attempt to discredit the Association on the grounds that it was not formed by the promoter or that it does not comprise all unit holders is wholly misconceived. The admitted fact is that the promoter has failed to facilitate the formation of an association even after a lapse of over eight years since the inception of the project. The failure of the promoter to act in accordance with Section 11(4)(e) compelled the allottees to come together and form an association in order to safeguard their collective interests.

96. Accordingly, this Authority holds that the Complainant Association qualifies as a valid and competent "association of allottees" for the purpose of maintaining the present complaint under the provisions of the RE(R&D) Act, 2016. The pendency of W.P. No. 18220 of 2025, and the status quo direction therein, pertain solely to the procedural challenge of registration and cannot be read to oust or suspend the complainants' rights under the statute.

97. In view of the above, and guided by the inclusive definition under Rule 2(b), the preliminary objection raised by the Respondents with respect to the locus standi of the complainant Association is hereby rejected, and the present complaint is held to be maintainable.

Point 2 is answered accordingly.

Point 3:

97. Respondent No. 1, M/s. Prathima Infrastructures Limited, has objected to its impleadment in the present complaint, contending that it holds no direct contractual

relationship with the Complainants. It is submitted that all Sale Deeds and Sale-cum-Construction Agreements were executed exclusively by Respondents No. 2 to 10, and hence, any grievance must lie solely against those entities.

98. This Authority is not persuaded by such a narrow and technical construction of liability under the Real Estate (Regulation and Development) Act, 2016. A plain reading of Section 2(zk) of the RE(R&D) Act clearly defines the term *"promoter"* in broad and inclusive terms. The definition is reproduced as under for reference:

> *"**promoter**" means,—*
> *(i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees; or*
> *(ii) a person who develops land into a project, whether or not the person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project, whether with or without structures thereon; or*
> *(iii) any development authority or any other public body in respect of allottees of—*
> *(a) buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government; or*
> *(b) plots owned by such authority or body or placed at their disposal by the Government, for the purpose of selling all or some of the apartments or plots; or*
> *(iv) an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings; or*
> *(v) any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or*
> *(vi) such other person who constructs any building or apartment for sale to the general public.*
> *Explanation.—For the purposes of this clause, where the person who constructs or converts a building into apartments or develops a plot for sale and the person who sells apartments or plots are different person, both of them shall be deemed to be the promoters and shall be jointly liable as such for the functions and responsibilities specified, under this Act or the rules and regulations made thereunder;*

99. Thus, the legislative intent behind Section 2(zk) is unambiguousit is to cast a wide net of accountability on all entities involved in the planning, development, execution, marketing, or sale of a real estate project, irrespective of whether such entity individually executed sale agreements with homebuyers. Where the roles of landowner, builder, and seller are divided, each entity involved in the chain of development is deemed a promoter and is jointly responsible for statutory compliance and for safeguarding the interests of allottees.

100. In the present case, the GHMC Building Permit Order No. 2581/HO/WZ/Cir-11/2010 dated 08.06.2011 was issued in the name of Respondent No. 1, clearly recognising it as the project developer before the planning authority.

101. Accordingly, this Authority finds that Respondent No. 1 is not misjoined, but rather a necessary party to the complaint, given its statutory role as a promoter under Section 2(zk), and its foundational involvement in the Project's development. Its impleadment is essential for the effective and complete adjudication of the issues raised, and to ensure that the spirit and intent of the RE(R&D) Act, 2016 are fully realised.

Point 3 is answered accordingly.

Point 4:

102. The Complainant seeks multiple reliefs under the Act, which are examined as follows:

a) Registration the Project under section 3 of RE(R&D) Act:

103. The Complainant Association seeks a direction that the subject Project be registered under the Real Estate (Regulation and Development) Act, 2016, asserting that the Project qualifies as an *ongoing project* in terms of Section 3 of the said Act. It is contended that the development is incomplete, several villas are yet to be constructed, the final Occupancy Certificate (OC) is pending, and the Promoter continues to advertise and market unsold units.

104. The Respondents, in opposition, rely on the earlier definition of *ongoing project* under Rule 2(1)(j) of the Telangana RE(R&D) Rules, 2017 (prior to its substitution by G.O.Ms.No.60 dated 04.03.2025), which excluded projects with building permissions approved prior to 01.01.2017. It is submitted that the Project, having received building permission in 2011, is not liable to be registered.

105. This Authority has repeatedly held that Rules cannot override the parent legislation, and any inconsistency must be harmonised in favour of the RE(R&D) Act's overriding mandate. As per Section 3(1) of the RE(R&D) Act:

> *"No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this*

Act.

Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months…"

106. The legislative intent is explicit. The moment a project remains incomplete at the time of commencement of the RE(R&D) Act, it attracts the compulsory registration mandate of Section 3. The primary objective of the RE(R&D) Act is to within resepct to ongoing porjectsare to bring all ongoing, incomplete, and unsupervised projects under regulatory oversight, to ensure transparency, accountability, and protection of homebuyers.

107. The Project in question remains incomplete. The Respondents themselves have admitted that only 74 out of 105 villas have been granted partial Occupancy Certificates, and that the final Occupancy Certificate is yet to be obtained. Furthermore, unsold and unconstructed units continue to be part of the scheme, and there is no indication that advertisements or marketing efforts have ceased. In view of these facts, the Project is squarely covered under the scope of Section 3 of the RE(R&D) Act.

108. This Authority has consistently held that in the event of a conflict, the substantive provisions of the RE(R&D) Act override subordinate rules, and that projects which had not obtained Occupancy Certificates as on the date of commencement of the said Act regardless of the date of approval qualify as ongoing projects under Section 3. Even prior to the amendment brought in by G.O.Ms.No.60 dated 04.03.2025, this Authority had, in several precedents, pronounce orders wherein promoters with approvals prior to 01.01.2017 to register their projects, observing that the legislative intent was to bring all incomplete developments within the regulatory framework.

109. The amendment to Rule 2(1)(j), as effected by G.O.Ms.No.60 dated 04.03.2025, only affirms this settled position. It removes the earlier ambiguity by explicitly defining ongoing projects as those where development is in progress and where the Occupancy or Completion Certificate has not been issued as on the date of coming into force of Section 3 of the RE(R&D) Act. This clarification further reinforces the mandatory requirement for the present Project to be registered.

110. Therefore, both statutorily and factually, the Project qualifies as an ongoing project. This Authority has no hesitation in holding that the Respondents have violated Section 3 by failing to register the Project under RERA, despite being under a legal obligation to do so.

111. The repeated attempts of the Respondents to disown jurisdiction of this Authority by sheltering behind prior Rule provisions despite the continuing incompletion of the Project demonstrate a wilful evasion of transparency norms. The very mischief that the RE(R&D) Act sought to remedy namely, opaqueness and consumer vulnerability is manifest in the conduct of the Promoters in the present case.

112. Accordingly, this Authority holds that the Project ought to have been registered under the Real Estate (Regulation and Development) Act, 2016, and that the Respondents are in continued contravention of Section 3 of the said RE(R&D) Act. The Authority hereby directs the Promoter(s) to forthwith initiate the process of obtaining all requisite approvals/sanctions from the Planning Authorities and Competent authorities, and to complete the registration of the said Project under the RE(R&D) Act within 30 (thirty) days from the date of such approvals/sanction plans obtained.

113. However, taking into account the prevailing interpretation of Rule 2(1)(j) at the relevant time and the resultant ambiguity surrounding the requirement of registration, the Authority is inclined to take a lenient view with respect to the imposition of penalty under Section 59 & 60 of the RE(R&D) Act. Accordingly, while the Authority holds that the project ought to have been registered, it refrains from invoking penal provisions under Section 59 & 60 of the RE(R&D) Act at this stage.

114. Nonetheless, the Respondents are strictly restrained from undertaking any further acts of advertising, marketing, booking, selling, offering for sale, or inviting persons to purchase any plot or villa in the said project without obtaining registration under the Act. Any future violation shall attract appropriate action under Sections 59, 60, and 63 of the RE(R&D) Act, 2016.

b) Issuance of Occupancy Certificates to Villa Owners:

115. The Complainant has submitted that 13 completed villas within the Project are yet to be issued Occupancy Certificates, and that 2 villas still under construction have been prematurely granted such certificates, in clear contravention of applicable regulations.

116. Under Section 11(4)(b) of the RE(R&D) Act, 2016, the Promoter is statutorily obligated to obtain the Occupancy Certificate or Completion Certificate, or both, as applicable, from the competent authority in accordance with applicable local laws, and to make such certificates available to the respective allottees or the Association of Allottees. This provision imposes a clear non-delegable duty on the promoter to ensure make occupancy certificate available to the allottees.

117. The failure of the Respondents to obtain Occupancy Certificates for all completed villas, despite offering possession and facilitating registration of such villas, constitutes a continuing violation of Section 11(4)(b) of the Act and represents a serious lapse in ensuring statutory and structural compliance.

118. In view of the above, this Authority directs Respondents No. 1 to 10 to immediately take necessary steps to obtain Occupancy Certificates from the GHMC for all completed villas and to furnish the same to the concerned allottees without any further delay. The Respondents are also cautioned that failure to do so may invite further proceedings under Sections 63 of the RE(R&D) Act, 2016, for continued non-compliance.

c) Declaration of Complainant Association's Entitlement to Common Areas:

119. The Complainant Association has sought a direction for transfer of ownership and possession of all common areas, including the clubhouse, by execution of a registered conveyance deed in its favour. In response, the Respondents submit that the clubhouse has been leased to a third-party entity, M/s HH Business Enterprises LLP, under a registered lease deed dated 13.08.2021 (Doc. No. 8193/2021), executed by the landowners of Inner Sanctum Pristine Estates for a period of 25 years. The said lessee is stated to have obtained a decree of perpetual injunction from the Court of the Junior Civil Judge-cum-IX Addl. Judicial Magistrate of First Class, Ranga Reddy District, in O.S. No. 553/2024, restraining certain villa owners from interfering with the operation and management of the clubhouse during the subsistence of the said lease.

120. The arguments advanced by the Respondents are, in the considered view of this Authority, wholly misconceived and unsustainable in law. The issue of ownership and entitlement to common areas, including community and commercial amenities, is not governed merely by inter se arrangements or contractual understandings between the

Promoters and third parties, but is governed squarely by the statutory mandate of the Real Estate (Regulation and Development) Act, 2016.

121. The Building Permit Order No. 2581/HO/WZ/Cir-11/2010 dated 08.06.2011, issued by GHMC, explicitly includes a Ground + 2 floor amenities block as part of the sanctioned layout of the Project. In the very Sale-cum-Construction Agreements executed with the allottees, a sum of Rs. 16,00,000/- was collected from each allottee towards the cost of common amenities, thereby treating the amenities block as an integral part of the overall infrastructure. Clause 24 of the said Agreements further recognises the right of the allottees to form an Association and manage common areas. Nowhere do these agreements confer any unilateral authority upon the Promoter or landowner to lease or commercially exploit common facilities for such extended durations.

122. The act of the Respondents in leasing out a statutory amenity such as the clubhouse to a commercial entity, and seeking protective relief through a private civil suit, is not only violative of the contractual representations made to the allottees, but more importantly, constitutes a blatant breach of their statutory obligations under the RE(R&D) Act, 2016

Under Section 2(n) of the RE(R&D) Act defines common areas as:

> *"common areas" mean—*
> *(i)the entire land for the real estate project or where the project is developed in phases and registration under this Act is sought for a phase, the entire land for that phase;(ii)the stair cases, lifts, staircase and lift lobbies, fir escapes, and common entrances and exits of buildings;(iii)the common basements, terraces, parks, play areas, open parking areas and common storage spaces;(iv)the premises for the lodging of persons employed for the management of the property including accommodation for watch and ward staffs or for the lodging of community service personnel;(v)installations of central services such as electricity, gas, water and sanitation, air-conditioning and incinerating, system for water conservation and renewable energy;(vi)the water tanks, sumps, motors, fans, compressors, ducts and all apparatus connected with installations for common use;(vii)all community and commercial facilities as provided in the real estate project;(viii)all other portion of the project necessary or convenient for its maintenance, safety, etc., and in common use;*

123. It is clear that “common areas” are expansively defined to include all community facilities as provided in the real estate project. There is no ambiguity that the amenities block comprising the clubhouse falls within this definition. The statutory provisions are categorical and admit of no exception.

124. Under Section 11(4)(f) and Section 17(1) of the RE(R&D) Act, which is read as:

> *Section 11(4)(f)execute a registered conveyance deed of the apartment, plot or building, as the case may be, in favour of the allottee along with the undivided proportionate title in the common areas to the association of allottees or competent authority, as the case may be, as provided under section 17 of this Act;*

125. Further section 17(1) of RE(R&D) Act states as follow:

> ***17. (1)*** *The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws: Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate. (2) After obtaining the occupancy certificate and handing over physical possession to the allottees in terms of sub-section (1), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws:*

126. Section 11(4)(f) imposes a mandatory obligation on the Promoter to execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the Association of Allottees or to the competent authority, as the case may be. Section 17(1) of the RE(R&D) Act further mandates that, upon issuance of the occupancy certificate and handing over of physical possession to the allottees, the promoter shall also transfer the common areas to the Association or competent authority as the case maybe. This is not a matter of discretion but a statutory duty that is binding in character and enforceable by law.

127. This Authority is mindful of the fact that the Respondents have filed W.P. No. 18220 of 2025 before the Hon'ble High Court of Telangana, challenging the procedural validity of the formation of the present Complainant Association. However, such pendency does not and cannot absolve the promoter of their statutory obligations under Sections 11(4)(f) and 17(1) of the RE(R&D) Act. Whether the currently existing Association continues or a new Association is constituted in accordance with the outcome of the writ proceedings, the promoter remains under an inescapable statutory obligation to transfer possession and

ownership of the project and its common areas to the lawfully constituted Association of Allottees.

128. The promoter cannot continue to retain control or defer statutory handover by relying on private leases. Subject to the outcome of the writ petition, the Promoter shall hand over all common areas and amenities, including the clubhouse, to the duly constituted Association of Allottees, and shall cease to exercise any control, management, or proprietary interest over the same.

129. Furthermore, this Authority is fully competent under the RE(R&D) Act to adjudicate all matters concerning common areas. The argument that such issues must be agitated before a civil court is misconceived. Section 79 of the RE(R&D) Act bars the jurisdiction of civil courts in matters arising under the RE(R&D) Act and falling within the scope of this Authority's powers.

130. Allowing the promoter to unilaterally retain control over the clubhouse under the guise of a lease would amount to misappropriation of a common asset and would result in serious prejudice to the allottees, who have already paid for such amenities. It would also defeat the statutory purpose of the RE(R&D) Act, which is to uphold transparency, protect homebuyer rights, and ensure promoter accountability.

131. Accordingly, this Authority declares that the clubhouse, being part of the approved layout and squarely falling within the scope of "common areas" under Section 2(n), shall be transferred to the duly constituted Association of Allottees in accordance with Sections 11(4)(f) and 17(1) of the RE(R&D) Act. Such transfer shall be effected irrespective of whether the present or any future Association is ultimately held to be valid, in accordance with the outcome of the pending writ petition.

132. The Respondents are directed to immediately initiate and complete the process of executing a registered conveyance deed for the clubhouse and all other common areas in favour of the lawfully constituted Association of Allottees. Non-compliance shall attract penalties under Section 63 of the RE(R&D) Act.

133. This Authority reiterates that the statutory rights of allottees under the RE(R&D) Act cannot be diluted or postponed by private contracts, pending litigations, or unilateral actions

of the promoter. The obligations cast on the promoter by the RE(R&D) Act are clear, binding, and non-negotiable.

d) Refund of Payments for Clubhouse Construction with Interest:

134. In the present case, the allottees, through their Sale-cum-Construction Agreements, have admittedly contributed substantial amountsapproximately Rs. 16,00,000/- per unittowards the development of common amenities, including the clubhouse. The Complainants now assert that the clubhouse forms part of the common areas and seek its conveyance and control under Sections 11(4)(f), 17(1), and 2(n) of the RE(R&D) Act, 2016. Having elected to enforce their statutory right of ownership and possession over the said facility, the Complainants cannot, at the same time, seek a refund of amounts already paid for its development.Accordingly, this Authority holds that the prayer for refund of amounts paid towards the construction of the clubhouse is untenable in law and fact, and hence, is rejected.

e) Refund of Corpus Fund with Interest:

135. This Authority takes note of the grievance raised by the Complainant Association that Respondents No. 2 to 10 had collected a substantial corpus fund from villa allottees under the pretext of long-term maintenance of the project but failed to utilize or transfer the said fund for its intended purpose. Notably, the Respondents, in their written reply, have not disputed the collection of the corpus fund. Instead, they have merely raised unsubstantiated allegations of default by the Complainant Association, without furnishing any credible evidence or substantiating their claims through verifiable documentation.

136. This Authority is of the considered view that once physical possession is handed over and a validly constituted Association of Allottees is in place, it becomes the statutory obligation of the promoter to transfer the entire corpus fund collected specifically for the upkeep and maintenance of the project into the Association's designated maintenance account. This flows from the promoter's continuing obligations under Section 11(4)(d) and 11(4)(e) of the Real Estate (Regulation and Development) Act, 2016, which mandate the handing over of maintenance responsibilities and related funds to the Association..

137. The fact that W.P. No. 18220 of 2025, challenging the procedural validity of the Complainant Association, is pending before the Hon'ble High Court. However, such pendency does not in any manner absolve or postpone the promoter's statutory obligations under the RE(R&D) Act. Whether the current Association or another is ultimately held valid

as per the outcome of the writ proceedings, the promoter's duty to transfer the corpus fund remains unaffected and shall be fulfilled in favour of the lawfully constituted Association of Allottees.

138. Accordingly, the Authority directs Respondents No. 2 to 10 to transfer the entire corpus fund, along with the interest accrued thereon, into the designated bank account of the Association of Allottees, within a period of thirty (30) days from the date of handing over of the project's maintenance responsibilities to such Association. Any failure to comply with this direction shall invite appropriate proceedings under Section 63 of the Real Estate (Regulation and Development) Act, 2016.

f) Transfer of Electricity and Water Supply to Residential Capacity:

139. The Complainant submits that the Respondents have retained electricity and water supply under a consolidated commercial tariff, charging villa owners at commercial rates, and have threatened disconnection for non-payment of maintenance dues. Section 11(4)(d) of RE(R&D) mandates promoters to provide essential services at reasonable charges until the association takes over maintenance. The Authority finds the Respondents' actions coercive and in violation of the said Act, and directs Respondents No. 1 to 10 to facilitate the installation of individual electricity and water meters for each villa through the respective statutory utilities, and to ensure that allottees are billed at domestic/residential tariff rates as applicable within 60 days from the date of the receipt of order.

Point 4 is answered accordingly.

F. Directions of the Authority:

140. In view of the foregoing findings and in exercise of the powers conferred under the Real Estate (Regulation and Development) Act, 2016, the Authority issues the following directions:

i. Respondents No. 1 to 10 are hereby directed to forthwith take all necessary steps to register the "Pristine Estates" project with the Telangana Real Estate Regulatory Authority, in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016, within 30 days after duly obtaining the requisite approvals and sanctions from the Competent/Planning Authority. Until such time as the project is duly registered, the Respondents are restrained from advertising, marketing,

booking, selling, offering for sale, or inviting persons to purchase any plot or villa in the project, in any manner whatsoever, in terms of Section 3(1) read with Section 4 of the RE(R&D) Act, 2016. Any contravention of this direction shall invite consequences under the provisions of the RE(R&D) Act,2016.

ii. Respondents No. 1 to 10 shall, immediately take steps to obtain and make available the Occupancy Certificates in respect of all completed villas, and ensure compliance with the GHMC Building Rules and other applicable regulations.

iii. The Respondents No. 2 to 10 are hereby directed to strictly comply with the statutory mandate under Sections 11(4)(f), 17(1) of the Real Estate (Regulation and Development) Act, 2016. The common areas, including the clubhouse and amenities block, form an integral part of the sanctioned project layout and shall be conveyed only to the lawfully constituted Association of Allottees or the competent authority, as the case may be, in accordance with the sanctioned plan. This direction shall be subject to the outcome of W.P. No. 18220 of 2025, and the said handover shall be effected to whichever Association of Allottees is ultimately recognised in accordance with law.

iv. The Respondents No. 2 to 10 shall, within a period of thirty (30) days from the date of handing over of the project's maintenance responsibilities, transfer the entire corpus fund collected from the villa allottees, along with the interest accrued thereon, into the designated bank account of the Association of Allottees. This obligation shall be fulfilled in favour of the lawfully constituted Association, whether the present or any future Association, as determined in accordance with the final outcome of the pending writ petition.

v. Respondents No. 1 to 10 shall take all necessary steps to facilitate the conversion and transfer of electricity and water supply connections to residential category within 60 days from the date of the receipt of this Order.

141. Failure to comply with above said directions by the Respondent shall attract penalty in accordance with Section 63 of the RE(R&D) Act, 2016.

142. As a result, the complaint is disposed of accordingly. No order as to costs.

Sd-	***Sd-***	***Sd-***
Sri. K. Srinivas Rao,	**Sri. Laxmi NaryanaJannu,**	**Dr. N. Satyanarayana, IAS (Retd.),**
Hon'ble Member	**Hon'ble Member**	**Hon'ble Chairperson**
TG RERA	**TG RERA**	**TG RERA**