

TELANGANA STATE REAL ESTATE REGULATORY AUTHORITY

COMPLAINT NO.650 OF 2022

Date of Decision: 21.09.2023

Smt. Posiratnam Rachuri

...Complainant

Versus

M/s Sai Surya Developers

...Respondents

Quorum:

Dr. N. Satyanarayana, Hon'ble Chairperson
Sri K. Srinivasa Rao, Hon'ble Member
Sri Laxmi Narayana Jannu, Hon'ble Member

Argued by:

Smt. Posiratnam Rachuri, Complainant.
None for the Respondent.

ORDER

The present Complaint has been filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") requesting to take appropriate action against the Respondent Builder.

A. Brief facts of the case:

2. The Complainant purchased a plot bearing No.14 in the Project "Nature County" being developed by the Respondent admeasuring 202 Sq Yds in Sy No.32/P, situated at Mansanpally Village, Kondapur Mandal, Sangareddy District and executed Agreement of Sale on 13.09.2021. Further, the Complainant submitted that, as per the Agreement of Sale, total sale consideration of Rs.25,85,600/- (Rupees Twenty Five Lakhs Eighty Five Thousand and Six Hundred

Only) was paid to the Respondent but the said Plot No.14 has not been registered in favour of the Complainant. In lieu of the same, the Complainant is before this Authority seeking appropriate action against the Respondent Builder.

3. The Complainant filed her Agreement of Sale dated 13.09.2021 wherein receipt of Rs.13,00,000/- (Rupees Thirteen Lakhs Only) through cash and bank transfer have been acknowledged by the Respondent out of the total sale consideration. Remaining amount of Rs. 12,85,600/- (Rupees Twelve Lakhs Eighty-Five Thousand and Six Hundred Only) was to be paid within 10 days from the date of the Agreement of Sale and then go for registration.

4. The Complainant also filed hand-written receipts of the Complainant paying Rs.6,00,000/- (Rupees Six Lakhs Only) on 25.09.2021 which has been acknowledged by the Respondent by way of a stamp of the Respondent Builder Company and the signature of an unknown representative. The Complainant also filed a Bank Transaction statement wherein, on 18.11.2021 she transferred an amount of Rs.5,07,008/- (Rupees Five Lakhs Seven Thousand and Eight Only) to Sai Surya Developers through RTGS. Further, the Complainant also filed another Receipt dated 19.11.2021 wherein she paid, unknown as to whether paid by cash or any other mode, Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand Only). The said receipt only has a sign of the representative without the stamp of the Respondent Builder Company.

B. Reply on behalf of the Respondent:

5. Accordingly, vide Notice dated 06.12.2022, served upon the Respondent, this Authority directed the Respondent to submit a reply in terms of Rule 34 (1) & (2) of the Rules, 2017 along with such other information with regard to the Project.

However, no response was received. Therefore, another reminder Notice dated 27.01.2023 was issued to the Respondent directing him to submit a response to the present Complaint.

6. Consequently, vide Reply dated 09.02.2023, the Respondent submitted that the contents of the Complaint are false, concocted and created by the Complainant for the purpose of filing the present Complaint. He submitted that if the Complainant wanted to register the Plot No.14 in her name, then she had to directly approach the Managing Director of the Respondent Builder Company i.e., Sri K. Satish Chandra Gupta. Further, the Respondent states that the Complainant submitted in her complaint that the Agreement of Sale was executed on 25.11.2020 but she also admitted in the Complaint that lastly, she paid some of the consideration of the Agreement of Sale on 13.09.2021. In this regard, he submits that the Agreement of Sale is just 30-45 days within which period the Complainant had to pay the entire sale consideration and only then could the Respondent register the plot in her favour.

7. The Respondent also submits that the Complainant went to the office of the Respondent and terrorised the Managing Director of the Respondent Builder Company and therefore she is before this Authority with unclean hands to gain wrongfully without following due process of law. He adds that the Complainant discloses that there is a sale agreement between her and M/s Sai Surya Developers, but she stated that she transferred money to the company account as mentioned in the complaint and that same is subject to strict proof.

8. He submitted that the Complainant did not mention the value of the sale agreement in its Complaint and did not send the copy of the Agreement of Sale

along with the complaint and the show cause notice. If she paid total sale consideration, she has to approach proper civil court and follow due process of law and not approach this Authority with unclean hands, and thereby prayed to dismiss the Complaint as it lacked merits.

9. This Authority, after perusing the matter and documents on record, on 19.07.2023, also served Show Cause Notice as to why penalty should not to be imposed upon the Respondent for violation of Section 3 & 4 of the Act, 2016. However, there was no response to the said Notice dated 19.07.2023.

C. Hearing Conducted:

10. Therefore, a Summons dated 15.09.2023 was served to the parties to appear before the Hon'ble Authority for hearing in the matter on 21.09.2023. Accordingly, the Complainant appeared on 21.09.2023, however there was no representation on behalf of the Respondent on the said day. Complainant accordingly sought for interim orders to restrain the Respondent from selling any plots in the said Project to third parties and also sought for penalty to be imposed for apparent violation of Section 3 & 4 of the Act.

11. In pursuance of the same, this Authority after duly verifying the project status, vide its powers under Section 59 of the Act and Penalty Order dated 22.09.2023, imposed a penalty of Rs.3,75,000/- (Rupees Three Lakhs Seventy-Five Thousand Only) for violating Section 3 and 4 of the Act as the project has not been registered with the Authority till date.

D. Observations of the Authority:

12. As per the online Encumbrance Certificate, it is apparent that the Respondent has entered into registered sale deeds in the year 2021 for Plot Nos.19, 20, 25, 26, 27 & 28 vide Document Nos. 10565/2021 and 8319/2021 of SRO Sadasivapet. The Respondent Builder is prohibited from entering into an Agreement of Sale or Sale Deeds without adhering to the requirements specified in Section 4 of the Act. Therefore, the Respondent's actions necessitate the issuance of the current interim order.

E. Interim Directions of the Authority:

13. Therefore, upon consideration of the facts and circumstances of the present case, this Authority deprecates the behaviour of such Builders who evade the law. For contravening Section 3 of the Act, Order under Section 59 has been issued and vide its powers under Section 36 of the Act, this Authority restrains the Respondent Builder, not to register/alienate any further plots in the said Project "Nature County" until further orders failing which action under Section 63 of the Act will be taken by the Authority.

14. The matter is listed on 04.10.2023 for hearing.

**Sd/-
Sri K. Srinivasa Rao, Hon'ble Member
TS RERA**

**Sd/-
Sri Laxmi Narayana Jannu, Hon'ble Member
TS RERA**

**Sd/-
Dr. N. Satyanarayana, Hon'ble Chairperson
TS RERA**