

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 161 of 2024

7th of July, 2025

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

M/s Asset Recovery Management Yard Pvt. Ltd
D.No. 9-6, Flat No. 302, 3rd Floor, A- Block,
Shilpi Apts, Opp Konark Theatre, Lalitha Nagar,
Dilsukh Nagar, Hyderabad-500060.

...Complainant

Versus

M/s Geethika Developers
Represented by
Sri Dasari Venkata Rama Krishna Prasad
#604, Polaris Block, A Wing,
Meenakshi Sky Lounge, Hitex Road,
Khanamet, Hyderabad-500084

...Respondent

The present matter filed by the Complainant mentioned herein above came up for final hearing on 27.03.2025 before this Authority in the presence of Complainant in person and the counsel for the Respondent. Upon hearing the submissions of all the parties, this Authority proceeds to pass the following **ORDER:**

2. This 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") seeking appropriate action against the Respondents.

A. Brief facts of the Case:

3. The Complainant, M/s. Asset Recovery Management Yard Private Limited, submitted that it had lawfully acquired and taken possession of approximately 11 acres of land situated in Survey Nos. 145 and 146 of Mankhal Village, Maheshwaram Mandal, Ranga Reddy District through a series of registered Agreements of Sale-cum-General Power of Attorney (AGPAs)

executed in its favour by the original landowners, namely Late Mr. K. Seetha Ramaiah, Mrs. K. Geetha, Mr. K. Siva Prasad, Mrs. K. Saila Kumari, and Mrs. MVLD Bharathi, during the years 2003 and 2006, upon payment of full and valid consideration through negotiable instruments and in cash, as recorded in the presence of witnesses at the sub-registrar's office.

4. The Complainant further submitted that, pursuant to the said transactions, it had been placed in physical possession of the subject land and was also handed over the original link documents. However, on 17.08.2006, the original vendors allegedly committed trespass on the said land, and the Complainant promptly lodged a criminal complaint dated 18.08.2006. Subsequently, the vendors initiated multiple civil suits against the Complainant, seeking cancellation of the AGPAs, on grounds which the Complainant asserted to be false and motivated. The said suits O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013 remained pending before the XII Additional District Judge, Ranga Reddy District, as on the date of filing the present complaint.

5. The Complainant further pleaded that during the pendency of these legal proceedings, M/s. Geethika Developers, represented by Sri Dasari Venkata Rama Krishna Prasad, had fraudulently obtained registration of a real estate project titled "*Geethika's Ensconsia*" under Permit No. P02400006389 from the Telangana Real Estate Regulatory Authority (hereinafter "the Authority"), by willfully suppressing material facts, including the existence of the said pending civil and criminal disputes. It was alleged that the Respondents had falsely declared that no litigation existed with respect to the project land, thereby committing fraud and misrepresentation as contemplated under Section 7(1) of the Real Estate (Regulation and Development) Act, 2016.

6. The Complainant urged that such fraudulent concealment had misled the Authority and the Hyderabad Metropolitan Development Authority (HMDA) into granting approvals that would otherwise have been withheld. It was further alleged that the Respondents, after securing registration by fraudulent means, proceeded to construct and market villas on the disputed land, thereby creating third-party interests to the detriment of the Complainant and prospective allottees.

7. The Complainant submitted that it had approached the Authority with credible documentary evidence supporting all the claims. Invoking Sections 35, 36, 4, and 69 of the Real Estate (Regulation and Development) Act, 2016, the Complainant pleaded that the Authority was statutorily obligated to take immediate corrective action, including cancellation

of the registration obtained by fraud, initiation of a *suo motu* inquiry, imposition of penalties, and issuance of interim directions to prevent further alienation of disputed land. The Complainant submitted that failure to intervene would not only result in grave injustice adversely affecting the public at large and eroding the credibility of the regulatory framework established under the RE(R&D) Act, 2016.

B. Relief Sought:

8. In view of the facts and circumstances submitted hereinabove, and in light of the documentary evidence placed on record, the Complainant most respectfully prayed that this Hon'ble Authority be pleased to:

- i. Cancel the permissions/registration given by the Authority vide RERA Registration No. P02400006389;
- ii. Levy appropriate penalty as per law;
- iii. Refund the amount collected from the purchasers together with interest and damages;
- iv. Blacklist the said promoters;
- v. Payment of costs & damages for pain & suffering caused to the Complainant.

C. Counter on behalf of the Respondent:

9. The Respondent, M/s. Geethika Developers, represented by Sri Dasari Venkata Rama Krishna Prasad, filed its counter denying all allegations made by the Complainant and contending that the present complaint is not maintainable either in law or on facts. The Respondent submitted that the Complainant is neither an allottee nor a promoter, builder, or consumer within the meaning of the Real Estate (Regulation and Development) Act, 2016, and hence lacks locus standi to invoke the jurisdiction of this Hon'ble Authority. It was further submitted that the Complainant's alleged rights are founded upon a set of Agreements of Sale-cum-General Power of Attorney (AGPAs) purportedly executed in the years 2003 and 2006, which do not confer valid title or ownership under law, as held by the Hon'ble Supreme Court in *Suraj Lamp and Industries Pvt. Ltd. v. State of Haryana* (2012) 1 SCC 656.

10. The Respondent stated that the said AGPAs were lawfully cancelled by the original vendors in 2006 and that the Complainant has not filed any suit for declaration, specific performance, or cancellation of the cancellation deeds. It was argued that the civil suits cited by the Complainant, namely O.S. Nos. 1153 of 2008, 10 of 2012, and 340 of 2013, were filed by the original owners or their family members against the Complainant and that the

Respondent is neither a party to those suits nor was it aware of their pendency at the time of applying for RERA registration. The Respondent submitted that it had conducted due diligence in good faith, based on public records and representations of the immediate vendors, and that there was no suppression or misrepresentation in its application for registration of the project “*Geethika’s Ensconsia.*”

11. The Respondent further contended that the Complainant is attempting to misuse the forum of the Hon’ble Authority to gain an advantage in unrelated civil litigation. It was submitted that this is a clear case of abuse of process, as the Complainant has failed to implead the necessary and proper parties, namely the original landowners, whose presence is essential for a fair adjudication of any dispute concerning title. The Respondent denied the existence of any criminal proceedings or FIRs against it or its vendors and submitted that mere police complaints, which did not result in registration of cases, have no evidentiary value.

12. The Respondent denied any allegation of fraud, asserting that such claims are vague, unsubstantiated, and lacking in legal proof. It was also submitted that no consumer or allottee has approached this Hon’ble Authority alleging wrongdoing, and the Complainant’s demand for cancellation of the project and refund of amounts collected from purchasers is wholly baseless. The Respondent argued that the reliefs sought are misconceived and without merit, and that the Hon’ble Authority, being a regulator under the Act, is not the proper forum to adjudicate historical title disputes, particularly where such claims have not been substantiated through civil litigation. Accordingly, the Respondent prayed for dismissal of the complaint with costs.

D. Memo filed by the Respondent:

13. A Memo was filed on behalf of the Respondent, M/s. Geethika Developers, wherein it was submitted that the complaint filed by the Complainant is wholly not maintainable in law and deserves to be rejected at the threshold. The Respondent submitted that the complaint was instituted by one Mr. C. Pradeep Kumar, claiming to be a Director of the Complainant Company, without filing any Board Resolution or valid authorisation empowering him to represent the Company before this Hon’ble Authority. Relying on the judgment of the Hon’ble Supreme Court in *State Bank of Travancore v. Kingston Computers (I) Pvt. Ltd.* [(2011) 11 SCC 524], it was contended that any such authorisation without proper Board delegation is a legal nullity and therefore, the complaint is liable to be rejected on this ground alone.

14. The Respondent further submitted that the alleged AGPAs relied upon by the Complainant were cancelled in the year 2006 through duly registered cancellation deeds. Despite such cancellation, the Complainant has neither challenged the said cancellation documents in a court of law nor sought any declaratory relief affirming its alleged title or rights over the project land. It was submitted that the civil suits cited by the Complainant being O.S. Nos. 1153 of 2008, 10 of 2012, and 340 of 2013 were filed not by the Complainant but by the original landowners against the Complainant, and the Respondent or its vendors are not parties to the said suits. The Complainant, therefore, has no valid cause of action against the present Respondent.

15. The Respondent clarified that the registration for the project "Geethika's Ensconsia" was obtained lawfully and after following due procedure under the Real Estate (Regulation and Development) Act, 2016. The Respondent submitted that it had no knowledge of the alleged litigation at the time of registration, and all information available to it was duly disclosed. It was further contended that the original landowners, being necessary and proper parties, were deliberately omitted from the complaint in order to avoid the full facts coming on record.

16. It was also submitted that the Complainant is neither a consumer nor an allottee nor a builder within the scope of the Act, and has no locus to maintain the complaint before this Authority. The Respondent urged that entertaining such complaints from third parties, without a prima facie title or consumer relationship, would open the floodgates to frivolous and mala fide litigation. It was prayed that the complaint, being vexatious, lacking in merit, and an abuse of process, be dismissed with costs.

E. Reply to the Memo filed by the Respondent:

17. In response to the Memo filed by the Respondent, the Complainant submitted that Mr. C. Pradeep Kumar, who signed and submitted the complaint, is the first director and Life-Time Director of the Complainant company, and is duly authorised to represent the Company before all judicial and regulatory forums, including this Hon'ble Authority. A certified copy of the Board Resolution, authorising Mr. Pradeep Kumar to file the complaint and pursue the proceedings, has been duly annexed to the record. The reliance placed by the Respondent on the decision in *State Bank of Travancore v. Kingston Computers (I) Pvt. Ltd.* is therefore misplaced and distinguishable on facts.

18. The Complainant further submitted that the core issue before this Hon'ble Authority is not the title dispute, nor the maintainability of the AGPAs in civil law, but rather the fraudulent suppression of material facts by the Respondent at the time of applying for project registration under the Real Estate (Regulation and Development) Act, 2016. It was categorically stated that pending civil suits namely O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013 pertain to the very same land on which the Respondent's project "Geethika's Ensconsia" has been undertaken, and this fact was wilfully concealed by the Respondent from both the Hon'ble RERA and HMDA.

19. The Complainant urged that the identity of parties in the said suits is irrelevant, as what is material under Section 7(1) of the Act is the existence of pending litigation affecting the project land, which was a crucial fact that should have been disclosed by the Respondent in its application for registration. The deliberate omission of this material information constitutes fraud and misrepresentation, warranting revocation of the project's registration under the statutory mandate.

20. The Complainant also submitted that under Section 31 of the Act, any person not only allottees or consumers is entitled to bring to the notice of the Authority any contravention of the provisions of the Act. Therefore, the Respondent's challenge to the *locus standi* of the Complainant is devoid of merit and contrary to the spirit and object of the legislation, which is aimed at transparency, accountability, and protection of public interest in the real estate sector.

F. Observations & Directions of the Authority:

21. At the outset, this Authority considers the preliminary objection raised by the Respondent regarding the maintainability of the present complaint on the ground of *locus standi*. The Respondent has contended that the Complainant neither qualifies as an allottee, promoter, or real estate agent, nor as an aggrieved person within the meaning of Section 31(1) of the Real Estate (Regulation and Development) Act, 2016, and therefore lacks the statutory standing to invoke the jurisdiction of this Authority.

22. In view of the above, this Authority has carefully perused the material placed on record by both parties. It is noted that the claim of the Complainant over the subject land is solely premised upon a set of Agreements of Sale-cum-General Power of Attorney (AGPAs), executed in its favour by the original landowners during the years 2003 and 2006. The Complainant

asserts its rights based on these AGPAs and claims to have been in possession of the subject land pursuant thereto.

23. However, it is also placed on record that the said AGPAs were subsequently cancelled through duly registered Cancellation Deeds executed by the original landowners in the year 2006, copies of which have been produced before this Authority. The validity of these cancellation deeds and the subsistence of the Complainant's alleged rights are the subject matters of multiple pending civil suits, namely O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013, which are currently *sub judice* before the XII Additional District Judge, Ranga Reddy District. Until such time, this Authority cannot disregard the effect of the registered cancellation deeds unless they are set aside or declared void by the competent civil court.

24. Now, in view of the foregoing circumstances, it is evident that the Complainant's alleged claim over the subject land is itself under dispute and remains unresolved before the competent civil court. Until such disputes are adjudicated, the Complainant cannot claim any lawful connection with the project land, nor assert any interest in the registered project.

25. It is well-settled that the primary objective of the Real Estate (Regulation and Development) Act, 2016 is to regulate the real estate sector, promote transparency, and protect the interests of stakeholders, particularly the allottees. In furtherance of this objective, this Authority exercises its jurisdiction to ensure compliance with the provisions of the RE(R&D) Act, 2016 and to address grievances of persons falling within the statutory framework.

26. Accordingly, this Authority shall take cognizance of a complaint where the complainant demonstrably falls within the categories contemplated under the Act, namely, an "allottee" as defined under Section 2(d), a "promoter" under Section 2(zk), a "real estate agent" under Section 2(zm), or an "aggrieved person" as envisaged under Section 31(1) of the said Act. As observed from the preceding paragraphs, it is very apparent that the Complainant does not fall under any of the afore-mentioned categories and clearly, there exists no transactional, contractual, or legal nexus between the Complainant and the Respondent-promoter or the registered real estate project "*Geethika's Ensconsia*".

27. In the absence of such nexus, the Complainant fails to satisfy the statutory threshold required to invoke the jurisdiction of this Authority under the RE(R&D) Act, 2016.

28. Accordingly, the Complaint at hand is liable to be dismissed for want of *locus standi*.

29. However, this Authority, in the exercise of its statutory obligations, considers it appropriate to take cognizance only to the extent of the alleged regulatory violation i.e., the non-disclosure of the pending litigations brought to the notice of the Authority through the present complaint.

30. It has been duly noted that the project land situated in Survey Nos. 145 and 146 of Mankhal Village, Maheshwaram Mandal, Ranga Reddy District, is the subject matter of multiple pending civil suits, namely O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013, involving disputes regarding title, possession, and cancellation of AGPAs, copies of which have been placed on record.

31. Accordingly, this Authority hereby directs the Secretary, TG RERA, to conduct a detailed verification of the statutory declarations submitted by the Respondent-promoter at the time of registration of the project and to take appropriate action under Section 4 read with Section 60 of the RE(R&D) Act, 2016 and the Rules applicable thereunder, as warranted by the outcome of such verification.

32. In light of the observations made earlier, this Authority is of the considered view that the Complainant does not possess the requisite legal standing to maintain the present complaint under the provisions of the RE (R&D) Act, 2016. The Complaint at hand is dismissed accordingly.

Sd/-

Sri K. Srinivasa Rao,
Hon'ble Member
TG RERA

Sd/-

Sri. Laxmi Narayana Jannu,
Hon'ble Member
TG RERA

Sd/-

Dr. N. Satyanarayana, IAS_(Retd.),
Hon'ble Chairperson
TG RERA