

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

COMPLAINT NO.1786 OF 2023

3rd day of March, 2025

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

M/s Coconut Grove Flat Owners Maintenance Mutually
Aided Co-operative Society Limited

...Complainant(s)

Versus

M/s RDB Hyderabad Infrastructures PVT.Ltd
Sri Raja Sekhar Reddy

...Respondent(s)

This present complaint, came up for hearing on 08.11.2024 before us for hearing in the presence of Counsel Kirthi Teja Kondaveeti for the complainant and Counsel Venkata Laxmi for the Respondents and upon hearing both the arguments on both sides and the matter reserved over for the consideration till this date, this Authority passes the present complaint order.

ORDER

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

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

3. Complainant submit that Coconut Grove Flat Owners Maintenance Mutually Aided Cooperative Society Limited was incorporated under Telangana Mutually Aided Cooperative Societies Act in the year 2022 for

looking after welfare of the Flat owners of the Coconut Grove Apartment/Residential Flats. There are more than 500 members who are registered under the Society.

4. The members of the Society purchased Flats in RDB Coconut Grove Apartment having purchased the same through various Sale Deeds executed by the Builder as well as the land owner.

5. That the members of the Complainant Society have invested huge amounts for the purchase of the Flats. At the time of purchase of Flats various facilities were promised by the Builder. On the assurance given by the builder, the members of the complainant society purchased the flats in RDB Coconut Grove by investing huge amounts. However, after purchase of the flats till date most of those promised amenities were unfilled till today.

6. That there are more than 6 Towers which are constructed by the Builder/Promoter in the said site. Two more Towers are under development. However, despite completing construction of more than 6 Towers still there are many unfinished works in the said Townes. Though the Society have been requesting the Builder/Promotor to complete the facilities/amenities as promised, however, till date those promises/facilities were not completed.

7. That the Builder/Promotor as promised to construct a club house, central park, outdoor GYM equipment, furniture in the lobby area, to provide RO water purification system, to provide Manjeera water connection, to provide fire safety systems etc. etc. However, till date none of the said amenities that were promised were not at all completed.

8. It is necessary to submit here that the construction of the said project ought to have been completed by 2015 itself. However, till date the construction is still pending. Further it is submitted that in all the Blocks there is provision for construction of 3 lifts. However, the Builder/Promotor has installed only two lifts and has left open the place for construction of 3rd lift without any safety. There are children who are playing in the residential building and their safety is at risk because of not completing the installation of 3rd lift in all those blocks.

9. It is further submitted that bringing the above said defects/drawbacks in the construction, the Complainant society has been making representations to the Builder/Promoter to complete the said promised amenities without any delay. The Complainant society even recently made representations on 05-07-2023 & 30-08-2023, however, till date no action has been taken on the said representations.

10. It is submitted that the members of the Complainant society have invested huge amounts and have occupied the said building also. However, till date, the project is not yet completed and many of the promised amenities are still not completed. Further, it is submitted that the Builder/Promoter has till date not obtained RERA registration in spite of the project not being completed before the Act came into force. Therefore, we request the authority to make sure that the builder/promoter provide the following amenities which were promised to the members of the society as early as possible;

11. Status of amenities which were promised to be provided by the builder:

S.no	Amenities promised by the builder	Status and remarks
1.	Lifts	The builder promised to provide 3 lifts in all the towers. However only 2 lifts are provided and the provision for 3rd lift is left opened. There are safety concerns as the lift provision is left open without any safety measures.
2.	Central Park	Not yet constructed though promised by the builder in the brochure
3.	Manjeera Water connection	Though the builder promised to provide Manjeera water connection to all the residential flats however till date only 360 flats have received Manjeera water connection though more than 500 flats are in occupation in the building premises. Because of not providing Manjeera water connection to all the flats, the Society association is paying more as the water usage as crossed the ceiling limit provided for the 360 connections.
4.	Diesel Generators	In the newly constructed blocks of Daffodil and Rose blocks (towers 5 and 6) the builder installed old and outdated diesel generators because of which the generators are not functioning properly. They are continuously put to repair and since the generators are outdated, the warranty for the said generators is also expired and the Society association is bearing all the

		expenses for the said repairs though they are installed recently.
5.	Club house	The builder has promised to provide modern club house with facilities including spa, gymnasium, yoga room, banquet hall, massage centre, library etc., till date the club house is not yet constructed. Contrary the builder to please the flat owners has allotted temporarily one flat each in the residential towers for indoor games, one flat for gymnasium and one flat to be used as banquet hall. The said facilities are also not upto the standards as promised by the builder.
6.	Jogging Track	Not yet constructed though promised by the builder in the brochure
7.	Visitors Lounge	Not yet constructed though promised by the builder in the brochure
8.	Landscape Gardens, fountains and cascades	Not yet constructed though promised by the builder in the brochure
9.	Basketball	Basketball court and pool table were promised by the builder in the brochure, however only temporary multipurpose court is constructed with one side basketball net is installed and on the otherside a small shuttle court is erected.
10.	Mineral Water Plant	Not yet constructed though promised by the builder in the brochure
11.	Gas Pipelines	Not yet constructed though promised by the builder in the brochure
12.	Fire Safety	Fire safety equipment is not installed in the latest constructed blocks of Daffodil and Rose (towers 5 and 6). In the first constructed blocks of Jasmine, Tulips, Marigold and Lotus though the fire safety equipment is installed however no proper testing was conducted before handing over the towers
13.	Swimming Pool	Not yet constructed though promised by the builder in the brochure
14.	Mini Theatre	Not yet constructed though promised by the builder in the brochure
15.	Guest Rooms	Not yet constructed though promised by the builder in the brochure
16.	Creche	Temporarily one flat is given for utilization of the members of the society for crèche. However the builder is collecting rent for the said flat from the association.
17.	Visitors Parking	Visitors' parking is not provided till date.
18.	24x7 security	IP based CC cameras insisted but the builder has provided only Analog based cameras and without proper coverage especially there is no coverage in basements (cellars) 1 and 2. Also centralized monitoring and equipment has not provided by the builder.

19.	Sewage Treatment Plant (STP)	Sewage Treatment Plant is not properly tested and the complete handover is not yet given.
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12. Though the builder has constructed and handed over possession of flats in 6 (six) towers i.e., Jasmine, Tulips, Marigold, Lotus, Daffodil and Rose. However, there are many defects which the builder is not responding to inspite of repeated requests made by the flat owners. The defects in the project are as follows:

S.no	Defects/Problems faced by the flat owners	Remarks
1.	Seepage issues leakage	In case of rains there is seepage from the walls and there is water logging in the cellar. Even for very small rains there is water logging in the cellar. Because of seepage the structural integrity of the building would be damaged.
2.	Water proofing on top floor	Proper water proofing is not done on the top floor of each tower. Because of that there is water leakage and dampness on the top floor. On one occasion because of water seepage from the top floor, a false the said incident till date no action has been taken by the builder to rectify the said defect.
3.	Water logging in lift pits	Because of seepage issues there is heavy water logging in the lift pits whenever there is rainfalls.
4.	Poor electrical Infrastructure	The builder has not provided proper electrical infrastructure because of which there are heavy fluctuations in the electrical supply and as a result the appliances are getting damage. Due to this there are lot of power outages from last few years due to which society runned through Diesel Generator and spent huge amount(40 lakhs plus) for diesel. No action has been taken by the builder for rectifying the said defect.
5.	Secondhand/ used outdated diesel generators installed in towers Daffodil and Rose	In the newly constructed blocks of Daffodil and Rose blocks (towers 5 and 6) the builder installed old and outdated diesel generators because of which the generators are not functioning properly. They are continuously put to repair and since the generators are outdated, the warranty period for the said generators is also expired and the association is bearing all the expenses for the said repairs though they are installed recently.
6.	No compound wall for building	There are safety concerns as the building has no boundary wall/compound wall which is constructed by the builder till date. Because of the opening the safety and security of all the flat owners is at risk.

		Street dogs, snakes are freely entering the building premises as there is no boundary wall.
7.	Continuous vehicular moments	The builder has undertaken to complete the construction of all the 8 towers by 2015 itself. However till date the construction is not yet completed though the occupation in first four towers is completed early because of non-completion of the project in full shape there is heavy vehicular moment because of which the flat owners are put continuous sound pollution and also air pollution.
8.	Common Area Power Billing title change from builder to Society	Till now, the builder could not provide the required documents for the change of the common power billing name to the society name. It's still under the commercial category, so we need to change from the 2A to the 6A category, which is residential. We are paying 30% extra power bills every month.
9.	Automatic Valve system for overhead tanks	Builder has not given proper setup and not handover with working conditions related to automatic cutoff for overhead tanks. Because of manual ON/OFF there is overflowing of water from overhead tanks sometimes which is also related to both staff efforts as well as affects Manjeera water bills.
10.	External Walls painting	Due to prolonged construction activities, four blocks (Jasmine, Lotus, Tulips, Marigold towers) are affected with dust and it lead to damage to painting and builder supposed to take up this activity.

B. Relief Sought:

13. **(a)** The Regulatory Authority may issue directions to Builder/Promoter to complete the following amenities i.e.,

1. Lifts
2. Central Park
3. Manjeera Water Connection to all the flats
4. Diesel Generators
5. Club House with the amenities of Yoga, Massage Centre, Business Centre, Library, Coffee Shop, Indoor Games, Gymnasium, Banquet Hall, Laundry
6. Jogging Track
7. Visitors' Lounge
8. Landscape Gardens
9. Basketball
10. Mineral Water Plant
11. Gas Pipelines
12. Fire Safety
13. Swimming pool
14. Mini Theatre

15. Guest Rooms
16. Creche
17. Visitors' parking
18. 24x7 security
19. Sewage Treatment Plant (STP)

(b) Further the Hon'ble Authority may be pleased to direct the builder /promoter to rectify the following defects in the building i.e.,

- a) to rectify the seepage issues / leakage,
- b) to undertake water proofing on top floor,
- c) to make sure that there is no water logging in the lift pits,
- d) to replace the poor electrical infrastructure with good quality
- e) to replace the second hand /used/outdated diesel generators installed in towers Daffodil and Rose with new diesel generators of best company,
- f) to take steps to immediately construct compound wall for the building,
- g) to take steps for change of the common power billing name to the society name
- h) to take steps to install automatic cutoff valve for overhead tanks.
- i) and pass such other order or orders as this Hon'ble Authority deem fit and proper in the circumstances of the case.

C. Interim order

- a) to rectify the seepage issues/leakage,
- b) to undertake water proofing on top floor,
- c) to make sure that there is no water logging in the lift pits,
- d) to replace the poor electrical infrastructure with good quality,
- e) to replace the secondhand / used / outdated diesel generators installed in towers Daffodil and Rose with new diesel
- f) to take steps to immediately construct compound wall for the building
- g) to take steps for change of the common power billing name to the society name
- h) to take steps to install automatic cutoff valve for overhead tanks.

D. Respondent Reply:

14. This is to submit that the complaint filed by the complainants is not maintainable. The permission obtained by the builder/developer is on 24.04.2013 vide File No. 1523/06/01 /2011 permit No. 15910/HO/WZ/Cir-12/2011. The Act clearly says that the applicability and commencement of Act, Telangana Real Estate Regulation and Development Act, which reads as follows:

i) "These rules may be called Telangana State Real Estate (Regulation & Development) Rules, 2017.

ii) "These rules are applicable to all the real estate projects whose building permission approved on or after 01.01.2017 by the competent authority viz; UDAs,/DTCP/Municipal Corporations/Municipalities/Nagar TSIIC Panchayats/ They shall come into force from the date of their publication in Telangana Gazette.

iv) The Government of Telangana vide GO Ms. No 202, dated 31.07.2017 vide its order issued Gazette Publication and Notifications. The orders clearly says the appeal notification will be published in Telangana Gazette dated 04.08.2017."

15. Hence it is submitted as the building permission is much prior to 01.01.2017 i.e. building permission on 24.04.2013 this application cannot be entertained as the permission is much prior to commence date. This Hon'ble Court has no jurisdiction to entertain this complaint as the permission was sanctioned in the year 2013.

16. However, to answer as prudent builder/developer, it is felt that to answer the allegations which are false made by the complainant. In reply to Para no.1 no explanation is required. However, they are put to strict proof of the same. In reply to Para no.2, it is submitted that members of the Complainant society have approached the respondents with an intention to purchase flats and on totally satisfying about the title, documents, sanction plans, permissions placed before them have come-forward to purchase flats, having satisfied about the sale price of the flat indicated and no huge amounts are collected from the members. In reply to Para no.3, it is submitted that the respondents have obtained permission for construction of 8 Towers and 6 Towers have been totally completed in all respects as per the specifications agreed and possession has been delivered to the respective flat owners and flat owners have taken over possession of flats having totally satisfied about the quality of construction and completion of the specifications provided. As on the date of handing over possession to the flat owners of

respective blocks all the works are completed and no pending works and the flat owners are enjoying the possession of their respective flats.

17. It is submitted that the Respondents as per the sanction plan and permission have commenced the construction of club house in the area earmarked in the sanction plan, but unfortunately the neighbouring land owner i.e.. Government claimed that there is overlap and obstructed for further construction and the dispute is pending and the respondents have already approached the Hon'ble High Court State of Telangana Writ Petition No. 1572 of 2020 (copy of the order is filed as Annexure-II) and obtained status-quo-orders, the respondents have already completed the construction of cellar, ground floor level columns and at that stage dispute arose from the revenue department and due to status-quo-order construction could not further carried-out. However, the respondents have alternatively provided all the agreed facilities of club house, gym equipments in an alternative place such as 4flats belonging to the respondents. The complainants are already running their association office, games room, function hall and space for cultural activities provided temporarily in the said area. As Manjeera Water Supply is already provided no necessity of RO Purification System is required. Fire Safety System as per Fire Safety Department is provided. And all the amenities as per specification and brochure are provided.

18. it is submitted that out of 8 blocks, 6 blocks are already completed and handed over possession to the respective owners of each block without any pending works. With regard to other 2 blocks, it is nearing completion. With regard to provision of 3 lifts, 3 lifts have been ordered and the company has delivered 3 lifts. At that stage, the flat owners requested not to install the 3rd lift as they wanted not to install the lift from 2nd cellar to the upper floors and wanted the operation of the lift from the upper cellar. As the lifts are already ordered, at the request of the flat owners to operate the 3rd lift from the second cellar due to problem in the rainy season and at their request the installation of the 3rd lift was stalled and waited for their confirmation for 1 year. However, to operate from 2nd cellar, a separate lift needs to be ordered. Hence, already delivered lift was returned and willing to install the 3rd lift

from the 2nd cellar as per the request of the flat owners. There is no deficiency from the part of the respondents its only at the request of flat owners, the installation of 3rd lift was with-held. The photographs produced with regard to provision of third lift area are very old photographs. All the safety measures to close the third lift area, which was earlier open due to non installation of third lift and the request of flat owners. The photographs of the closure of the open area are filed as Annexure III which clearly shows that necessary safety measures are taken.

19. It is submitted that as and when some minor issues arose and at the request of the flat owners/association/society the respondent attended all the minor complaints and there are no pending works as alleged, all the minor complaints are already attended. A copy of the complaint and response from the respondents in completing the works and their acknowledgment of the respective complainants have been enclosed herewith. Copy of the complaint and work attended and signature of parties.

20. it is submitted that flat owners have paid the agreed amount on satisfying the price and cost of the flat and no huge amounts as alleged by the flat owners have been collected. Only on willingness and satisfied about the cost of the flat, the flat owners purchased flat from the respondents and all the works and specifications have been completed and no pending works. Over and above, the agreed specifications, the respondents have provided a stage for the cultural activities in the open area, additional second swimming pool which is nearing completion and other amenities have been provided over and above agreed specifications.

21.

S.no	Amenities Agreed	Remarks of the Respondent
1.	Lifts	3 Lifts agreed to be provided. However, only at the request of flat owner's 3rd lift installation was withheld as they required, the operation of 3rd lift from second cellar, hence, the earlier ordered lift which is delivered has to be returned and new 3rd lift shall be provided. Flat owners and association/society are already aware of the facts.
2.	Central Park	As per our specification and brochure, there is no provision of construction of stage/dais, only

		greenery need to be provided in the central park. However, at the request of some of the members, dais/stage in the central park is also being provided and due to difference among the members the construction is getting delayed. If all the members have a common consent and official confirmation from the association letter we shall complete the construction of central park. A photograph of the Central Park area and dias on stage provided
3.	Manjeera Water	Manjeera water facility has been already provided as per the sanction plan and permission issued by the authorities. Presently, there are certain changes with regard to provisions of water connections as per new sanctions which we are not concerned. The respondents are liable only to provide water connection as per the sanction plan. However, at the time of completion of total project the respondent also shall consider their request of the association subject to feasibility in-fact the respondents has no responsibility w.r.t. to the unreasonable demand of the association members.
4.	Diesel Generators	All generators as agreed have been provided w.r.t. performance of the generators at the company level, the respondents got it tested for performance and the same was brought to the site for installation. The members are under impression that it is old generator but in-fact the said generator is brand new generator which was got tested-ok for its performance. In-case, it is to be replaced sufficient time is given we shall replace with another generator.
5.	Club House	As explained above, the place earmarked for club house as per sanction plan is under dispute with the revenue authorities that there is over lap and portion of their area is within our premises. Already approached Court the dispute is pending and waiting for favourable orders. Alternative club area is provided by providing all the amenities of the club house with gym area. Already all the flat owners are utilizing the club house facilities in the temporary area already provided. The cost the temporary area provided for club house is much more i.e., double the cost of club house if constructed, the respondents are in loss as the temporary area which is provided, could not be sold as to accommodate the association members for temporary club house. Alternative facilities provided in temporary club house
6.	Jogging Track	Jogging Track already completed. Members are

		already using the same and there is regular walkers in the walking track and the photographs are enclosed for reference
7.	Visitors Lounge	Visitors lounge is provided in the temporary club house and guests are already utilizing the same.
8.	Landscape garden, fountains and cascade	Landscape Garden, Fountains and cascade is already been provided
9.	Basketball	There is no specification agreed for Basketball provision. However, Basketball court has already provided and the members have converted the basket ball court to net-cricket practice and shuttle courts and other play areas. There is no fault of the respondents
10.	Mineral Water Plant	As Manjeera water supply has already been provided, and no bore water or ground water required as such mineral water plant is not necessary
11.	Gas Pipelines	There is no specification or promise for providing Gas Pipelines
12.	Fire Safety	Fire Safety measures have already been provided as per the requirement of the fire services dept.
13.	Swimming pool	Swimming pool need to be provided in the club house as the matter is under litigation w.r.t. construction of club house alternative swimming pool is being constructed which is nearing completion
14.	Mini Theatre/Home Theatre Room	Mini Theatre/ Home Theatre Room shall be provided at the time of construction of the club house on clearance of the dispute
15.	Guest Rooms	Guest Room can be constructed after clearance of dispute w.r.t club house as it needs to be provided in the club house.
16.	Crèche	Creche is already provided which is already under usage by the members.
17.	Visitors Parking	Visitors Parking is provided.
18.	24x7 security	As per specifications agreed CC Cameras provided
19.	Sewerage Treatment Plant	Sewerage Treatment Plant is provided and the same is under usage by the members.

22. It is true that the respondents have completed 6 blocks and totally occupied by the flat owners and remaining 2 blocks nearing completion and many of the flat owners have occupied their respective flats. All the works brought to the notice of the respondents have been completed no pending works.

23.

S.no	Defects/Problems alleged by the flat owners	Remarks
1.	Seepage issues/leakages	Earlier only at one instance there was a small seepage which was rectified and small loss caused to the flat owner has been compensated and thereafter no complaints of leakages.
2.	Water proofing on top floor	Water proofing has been provided on consultation with water proofing expert. Hence, no pending work. As explained above, a small problem w.r.t. leakage in 1 flat has been rectified and compensated the small damaged caused. Hence, no pending work
3.	Water logging in lift pits	I lift need to be provided as and when water due to rain is already been removed and sufficient water proofing is provided. Hence, no damage or loss. However, 3rd lift will be provided at the earliest.
4.	Poor infrastructure electrical	Electrical infrastructure has been provided as per specifications, if any fluctuations its only because of high voltage from electricity department and no fault of the respondents and they are not concerned w.r.t. high voltage
5.	Secondhand used outdated diesel generators installed in Daffodil and Rose towers	As explained above, only tested new generator for performance has been installed. But it is brand new not old or outdated. If required alternative generators will be provided subject to providing time.
6.	No compound wall of the building	Compound wall is constructed except a small portion due to dispute with the revenue department. However, necessary precautions have been taken for safety.
7.	Continuous vehicular movements	The vehicles which are coming inside for completion of the other 2 blocks and no vehicle is passing within the community and no disturbance is caused. The construction will be completed at the earliest.
8.	Common area power billing title change from builder to society	Earlier, the power connection and common area is obtained in the name of the respondents. It is for the association/society for change of name any authorization or support for change of name required shall be provided.
9.	Automatic valve system for overhead tanks	Automatic valve system is already provided
10.	External wall painting	It is Painted and given to flat owners at the time of handing over. It is more than 5 years the respective owners blocks are enjoying

		any further paintings it is the responsibility of the members and the association.
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24. It is further submitted that the complainants have made false allegations w.r.t. works carried-out by the respondents and in-fact all the works are completed.

25. It is submitted that sufficient Manjeera water has already been provided to 6 towers flat owners with regard to remaining 2 blocks towers which are nearing completion the required water facility for the remaining 2 towers shall also be provided.

26. It is submitted that providing old diesel generator as alleged is not true. As explained new ok- got tested branded for performance is installed. However, if the flat owners require providing another diesel generator shall be provided if necessary and time is given to the respondent.

27. It is submitted that completion of club house is pending due to dispute w.r.t. revenue department with false allegation of over lapping a small portion of land. The matter dispute is pending before the Hon'ble High Court. Alternative club house is provided and it is already under usage. Once the dispute is cleared the club house shall be constructed.

28. It is submitted that swimming pool the same is required to be provided in the club house area. It is pending due to dispute with revenue department as stated above. However, alternative swimming pool is provided which is nearing completion which shall be for usage very shortly.

29. It is submitted that w.r.t. club house already explained above provide alternative function hall/banquet hall in temporary club house provided and members are using the alternative banquet hall which is provided temporarily club house and members have utilized and conducted functions in the said banquet hall. Further, there is sufficient space in the cellar inspite of providing sufficient parking space and the respondents are willing to provide club house temporarily facilities in the additional area in the said additional space of 1 cellar, if members require if required and given consent by the members till the completion of club house.

30. it is submitted that w.r.t. the building is completed as per the plan and as such there is no problem w.r.t. shifting of electricity connections in the name of the flat owners/associations and the respondents are willing to give consent letters for change of name at the cost of the flat owners/association.

31. The respondent denies for payment of any compensation as alleged and falsely claimed by the complainants' in-fact the building is totally completed and there are no pending works.

32. Hence, the Hon'ble Authority dismisses the complaint given by the complainants with false allegations with exemplary costs.

E. Rejoinder:

33. The preliminary objection raised by the respondents with regard to the maintainability of the complaint is that the complaint is not maintainable as per TS RERA Rules 2017 as the building permission was obtained prior to 1-1-2017 and thus the same would not come within the purview of RERA is not true and denied.

34. It is necessary to submit here that Sec.3 of the Real Estate Act,2016 reads as follows:

"Prior registration of real estate project with Real Estate Regulatory Authority (1) 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.

(2) Notwithstanding anything contained in sub-section (1), no registration of the real estate project shall be required (a) where the area of land proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases: Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;

(b) Where the promoter has received completion certificate for a real estate project prior to commencement of this Act,

(c) for the purpose of renovation or repair or re-development which does not involve marketing, advertising selling or new allotment of any apartment, plot or building, as the case may be, under the real estate project. Explanation. For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a standalone real estate project, and the promoter shall obtain registration under this Act for each phase separately.

35. According to the proviso to above Section 3 of the Act, it is clear that all the ongoing projects on the date of commencement of the Act for which completion certificate has not been issued, the Promoter shall make an application before the authorities for registering the said project within 3 months from the date of the commencement of the said Act. In this case, the Builder/Promoter has not completed the construction nor obtained completion certificate from the concerned authorities even till date. Therefore, as per the said Act the Builder/Promoter is under the obligation to get the project registered with the TS RERA. Whereas the respondent is relying upon the TS RERA Rules 2017 which were framed by virtue of dedicated legislative

powers conferred through the Real Estate Act, 2016. The Hon'ble Court in various cases held that in case of conflict with the Act and the Rules, the Act shall prevail. Therefore, the preliminary objection raised by the respondent with regard to maintainability of the complaint would not be sustained in view of the proviso to Sec.3 of Real Estate Act 2016.

36. It is submitted that the complainant herein has filed the above complaint only to make sure that the Promotor/Builder would complete the amenities which were promised to the members of the society. As already submitted in the complaint, there are safety issues which the Builder/Promotor has failed to respond in spite of repeated requests. Having left with no other option, the complainant herein has filed the above said complaint before the authority seeking a direction to the builder/promoter who complete the amenities which were promised to them.

37. It is necessary to submit here that the respondent herein has now come up and stated that there is a title dispute with regard to the property as such he was unable to carry out construction of club house. It is necessary to submit here that as per Section 18 of the Real Estate Act, 2016, in case there is a loss caused to any person because of defective title on the land, the promoter shall compensate the allottees in case of loss caused to him due to the defective title. The respondent herein having been fully aware that he was supposed to pay compensation in case the above said title dispute is known to the members of the complainant society has been hiding the said fact without intimating the same to the complainant society herein. The further allegation in the counter filed by the respondent that he has fulfilled all the amenities and has no other things which needs to be attended by the respondent is not true is herewith denied.

38. The detail reply to the remarks submitted by the respondent to each problems is as follows:-

S.no	Amenities Agreed	Remarks of the Respondent	Reply to the remarks submitted by the Respondent
1.	Lifts	<p>3 Lifts agreed to be provided. However, only at the request of the flat owner's 3rd lift installation was withheld as they required the operation of 3rd lift from second cellar, hence, the earlier ordered lift which is delivered has to be returned and new 3rd lift shall be provided. Flat owners and association/society are already aware of the facts.</p>	<p>The allegation that the Flat owners requested 10 withhold the installation of the 3d lift is not true is herewith denied. The Flat owners were accepting all the things which the respondent builder was ready to give it to them. They never requested for withholding the installation of the 3rd lift. During heavy rains, the basement area was fully waterlogged. At that point of time we requested the Builder to rectify the seepage issues and then install the lift. Taking that as advantage, now he cannot shift the blame on the flat owners saying that they required the installation from 1 Basement. As seen</p>

			<p>from the Complaint submitted by the complainant it can be seen that the complaints all the while were requesting for installation of the 3 lift. Without installing the 3 lit temporary closures are put in place which was dangerous as the lift provision was open without any safety measures. After filing of the complaint before this authority, respondent has now closed the t provision without taking any step for installing the lift. Our only endeavor is to see that the 3rd lift is provided as soon as possible.</p>
2.	Central Park	<p>As per our specification and brochure, there is no provision of construction of stage/dais, only greenery need to be provided in the central</p>	<p>The allegation with regard to construction of stage/dais in the central park or greenery is one and the same. The respondent herein promised for</p>

		<p>park. However, at the request of some of the members, dais/stage in the central park is also being provided and due to difference among the members the construction is getting delayed. If all the members have a common consent and official confirmation from the association letter we shall complete the construction of central park</p>	<p>construction of park area without any permanent structure in it. However, till date, no such activity had been taken and the central area is left upon without any construction. We have been communicating and requesting to complete the central park area as early as possible. However till date, the respondent has not taken any steps for construction of central park. The other allegation that the members requested for construction of dais/stage is only at the end of the park so as to conduct programmes in the park area that will not have any effect for delaying the construction of the central park. The respondent is only</p>
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			taking advantage and trying to shift the burden without taking any steps for construction of the central park area.
3.	Manjeera Water connection	Manjeera water facility has been already provided as per the sanction plan and permission issued by the authorities, Presently, there are certain changes with regard to provisions of water connections as per new sanctions which we are not concerned. The respondents are liable only to provide water connection as per the sanction plan. However, at the time of completion of total project the respondent also shall consider their request of the association subject to feasibility in fact the respondents has no responsibility w.r.t. to the unreasonable demand of the	The allegation that Manjeera water facility has already been provided as per sanction plan and the permission issued by the authorities is not true. There are more than 500 Flats which are in occupation of building premises. However, has been provided only for 360 Flats. Therefore, because of not providing Majeera water connection to all the flats, the petitioner association is paying more for the water usage as there is only one connection for 360 flats, however the usage is by more than 500 flats. Without

		association members.	answering this query the builder/promoter is conveniently stating that he has provided Manjeera water facility as per sanction plan which not factually true and hence denied. The builder/promoter shall provide Manjeera water connection to each flat owner and to all the flats in the project. It is responsibility to see that all the flat owners having Majeera water facility.
4.	Diesel Generators	All generators as agreed have been provided w.r.t. performance of the generators at the company level, the respondents got it tested for performance and the same was brought to the site for installation. The members are under impression that it is old generator but in fact the said generator is brand new generator which	With regard the Diesel generators, the old generators have been installed. However, the allegation that the builder has installed brand new generator is not true and is hereby denied. He himself is agreeing to replace the old generator. The Hon'ble authority may please direct the builder/promoter to

		<p>was got tested ok for its performance. In case, it is to be replaced sufficient time is given we shall replace with another generator.</p>	<p>replace the old outdated generators with a new generators as early as possible:</p>
5.	Club House	<p>As explained above, the place earmarked for clubhouse as per sanction plan is under dispute with the revenue authorities that there is over lap and portion of their area is within our premises, Already approached Court the dispute is pending and waiting for favourable orders. Alternate club area is provided by providing all the amenities of the club house with gym area. Already all the flat owners are utilizing the club house facilities in the temporary area already provided. The cost the temporary area provided for club house is much more te. double the cost of club house if</p>	<p>The allegation that the builder has provided alternate club area with all Gym area and the cost of temporary that are provide for club house is much more i double the cost if it is constructed is not true and is hereby denied. The area for club house which was promised is 40,000 sft. However as temporary arrangement the builder has provided flats for usage by the members of the association. Those temporary flats are very small which could not be used for normal purpose such as to run club activities including GYM and other facilities. The</p>

		<p>constructed, the respondents are in loss as the temporary area which is provided, could not be sold as to accommodate the association members for temporary club house. Alternate facilities provided in temporary club house</p>	<p>promised club house, which was to be constructed by the builder/promoter is a big building consisting facilities which include GYM, Banquet Hall, Massage Centre, Yoga room and other facilities under one roof. The builder instead of constructing the said club house is now stating that there is a dispute which is pending and he has provided temporary area which is double the cost of the club house if constructed is not true. The builder ought to have taken steps before making construction. The Real Estate Development and Regulation Act 2016 clearly mandates that in case there is a title dispute on the project which is being developed or has been developed and the</p>
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			<p>promoter shall compensate the allottees in case of any loss being caused because of defective title. Because of non competition of construction of club house, the flat owners are incurring huge loss as they are spending money else where for better facilities. As admitted by the promoter himself that there is title dispute on the said land where the club is to be constructed by the promoter. Therefore the allottees shall be compensate for the loss caused to them because of the defective title on the land.</p>
6.	Jogging Track	Jogging track already completed. Members are using the same and there is regular walkers in the walking track and the photographs are	The allegation that the jogging track is already completed and the members are already using the same is not true and is hereby

		enclosed for reference.	denied. The jogging track is to be constructed around the circumference of the building. However just because members are walking in the common areas, that shall not be treated as jogging track. Therefore the said allegation that the jogging track is already completed is not true and denied.
7.	Visitors Lounge	Visitors lounge is provided in the temporary club house and guests are already utilizing the same.	The allegation that the visitors lounge is provided in the temporary club house and the guests are already utilizing is not true. As per the brochure, the visitors lounge shall be constructed at the entrance of the building. Just providing a temporary flat in one of the tower would not constitute it as visitors lounge. The builder/respondent

			shall make construction of visitors lounge at the entrance of the building
8.	Landscape Gardens, fountains and cascades	Landscape Garden, Fountains and cascade is already been provided	The allegation that the landscape garden, fountains and cascade have already provided is not true and is hereby denied. Many of the works are not completed and are pending. A few trees were planted at the entrance of the building and the rest of the landscape garden fountains which were promised were not at all installed till date.
9.	Basketball	There is no specification agreed for Basketball provision. However, Basketball court has already provided and the members have converted the basket ball court to net-cricket practice and shuttle courts and other play areas. There is no fault of the respondents	The allegation that the builder has not agreed to provide basketball court but however the same has been provided and the same has been converted into shuttle courts and for Net cricket practice is not true and denied. The builder has specifically stated in

			<p>the brochure that basketball court would be constructed. The Builder has not completely build the basketball court as promised. Instead he only laid surface area for basketball court and has not installed poles on either side of the court. The said court was not useful to play basketball. Therefore left with no other option, people stated using it for other purposes.</p>
10.	Mineral Water Plant	As Manjeera water supply has already been provided and no bore water or ground water required as such mineral water plant is not necessary.	<p>The allegation that since the mineral water supply has already been provided and bore water or ground water is not required as such mineral water plan is not necessary is not true and is hereby denied. The supply of Manjeera water is not guaranteed 24 x 7. Sometimes when there</p>

			is shortage of Manjeera water supply, we would require bore water to be utilized for which installation of mineral water plant is necessary. This was promised to the members of the petitioner association while they purchased the said flats.
11.	Gas Pipelines	There is no specification or promise for providing Gas pipelines.	The allegation that there is no promise for providing Gas Pipelines is not true and denied. The Builder has promised to provide Gas Pipelines. The website of the Builder has clearly specified to provide gas pipelines to all the flat owners. Now he cannot deny to provide gas pipelines
12.	Fire Safety	Fire Safety measures have already been provided as per the requirement of the fire services dept.	The allegation that the Fire Safety measures have already been provided as per the requirement of the Fire Services Department is

			<p>not true and is hereby denied. If the builder has obtained fire safety certificate, he ought to have filed the same before this authority. The specific allegation by the complainant is that fire safety equipment is not installed in the latest constructed blocks of Daffodil & Rose Without installing fire safety equipment in the said two blocks he has generalized stating that he has already provided fire safety measures AS per the requirement of the fire services dept which is not factually not true.</p>
13.	Swimming Pool	<p>Swimming pool need to be provided in the house as the matter is under litigation w.r.t construction of club house alterative swimming pool is being constructed which is nearing completion.</p>	<p>The allegation that the construction of Swimming pool is near completion is not true and is hereby denied. The Swimming pool has been under construction for more than 10 years. Till date</p>

		Swimming pool provided	it has not yet seen the light of the day. On one pretext or other he has been delaying the constructing of swimming pool.
14.	Mini Theatre	Mini Theatre/Home Theatre Room shall be provided at the time of construction of the club house on clearance of the dispute.	The allegation that the Mini Theatre/Home Theatre should be provided at the time of construction of club house on clearance of the dispute is not true and denied. As already submitted under Sec.18(2) the promoter shall compensate the allottees in case of loss caused to him due to defective title on the land. The builder in spite of knowing that there is title dispute, still has been selling flats to the members of the association, even after the court case has been filed. Therefore, the respondent/builder cannot take the

			defence that he would complete the construction of the club house only after clearance of the dispute.
15.	Guest Rooms	Guest room can be constructed after clearance of dispute w.r.t club house as it needs to be provided in the club house	The allegation that the guest house should be constructed after clearance of dispute w.r.t club house as it needs to be provided in the club house is not true. As already submitted under Sec.18(2) the promoter shall compensate the allottees in case of loss caused to him due to defective title on the land. The builder inspite of knowing that there is title dispute still has been selling flats to the members of the association, even after the court case has been filed. Therefore, the respondent/builder cannot take the defence that he would

			complete the construction of the club house only after clearance of the dispute
16.	CRECHE	Creche is already provided which is already under usage by the members.	The allegation that the builder has already provided Creche and which is under usage by the members is only partially true. The Creche which is promised is not at all of the standards which was promised by the builder/respondent. The Creche area which is now allotted is temporary one which is not at all looking as one which will be used on permanent basis for the children.
17.	VISITORS Parking	Visitors Parking is provided.	Visitors parking as alleged have not been provided. The allegation that the visitors parking is provided is not true and is hereby denied. The photographs which are annexed are

			only parking made inside the apartment. Without there being actual parking area for the visitors who are visiting the building premise. the builder has conveniently stated that the visitors parking is provided
18.	24x7 security	As per specifications agreed CC cameras provided	The builder as promised to provide world class safety and security systems for the safety of the entire building, whereas there are no proper coverage of CC TV cameras in the basement areas. Further the CCTV's which are provided are analog base and not IP based CC TVs. Therefore the builder/respondent has failed to provide the world class safety and security as promised.
19.	Sewerage Treatment Plant	Sewerage Treatment Plant is provided and	The contention that the sewage treatment

	(STP)	the same is under usage by the members.	plant is provided and the same is under usage by the members is not true and denied. The sewerage treatment plant is installed only for first 4 towers that too for gardening purpose only. For household utility, the sewerage treatment plant is not operational. Further for the newly constructed blocks of Daffodil and Rose, the STP provision is not at all available. Therefore the contention of the builder that sewerage treatment plant is under use by the members is not true and denied.
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39. Defects/Problems faced by the Flat Owners:

- a) Seepage issues/leakages: The allegation that only at one instance there was small seepage issue which was rectified and small loss caused to the flat owners has been compensated and thereafter there are no complaints of leakage is not true and is hereby denied. In case when there are heavy rains, there is always severe water logging in the cellars which could be seen from the photos enclosed herewith. Because of

water logging, the structural integrity of the building would be damaged. Because of this reason only we requested the builder to rectify the seepage issues as early as possible.

- b) Water proofing on top floor: The allegation that the water proofing has been done on consultation with the water proofing experts is not true and is herewith denied. He himself has admitted that there was a small problem with regard to the leakage. This is persistent problems faced in all the flats on the top floor. The builder/respondent has to take immediate steps for getting water proofing done on the top floor.
- c) Water logging in lift pits:- As already stated, there is heavy water logging in the cellar area because of seepage issue. Because of seepage issue every time when there are heavy rains, there is heavy water logging in the lift pits. These needs to be rectified immediately if not there shall be huge loss caused to the association which might occur because of any of the reasons for which the builder shall be wholly and solely responsible.
- d) Poor Electrical infrastructure: The allegation that electrical infrastructure has been provided as per the specification is not true and is hereby denied.
- e) Second hand used outdated diesel generators: The allegation that brand new generators have been installed is not true and is hereby denied. The authority can conduct enquiry by inspecting the premises and it would be clear whether the builder has installed old or new generators. The statement made by the builder/respondent that alternate generators will be provided if sufficient time is provided, is a proof that the generators which are installed are not new.
- f) No compound wall for the building: The allegation that except a small portion of a compound wall, everything is constructed and necessary precautions have been taken for safety is not true and is hereby denied. Photographs have already been filed which shows that there is no compound wall for the building at the prominent place and there are many incidents where people have misused the said opening and ventured into building premise. Therefore, the construction of

compound wall is necessary for the safety and security of the members of the association.

- g) Continuous vehicular movements: The allegation that there is no disturbance caused because of passing of vehicles is not true and is hereby denied. The vehicles are passing through the community and there are heavy disturbances even during nights.
- h) Common area power billing title change from builder to society:- The complainant association has been requesting the builder/respondent to change the title in the name of society. Till date no action has been taken from the builder for changing the name of the power connection in the name of the society.
- i) Automatic valve system for overhead tank: There is no automatic valve system and the allegation that automatic valve system is already provided is not true and is hereby denied. If the automatic valve system was provided, he should have filed the photographs of the same. Without filing any photographs he is simply stating that automatic valve system is already installed. Without installing automatic valve system, it is becoming difficult for the association to control the wastage of water as the water is over flowing after filling of tanks.
- j) External wall painting: - The allegation that external painting was done and given to the flat owners at the time of handing over and it is more than 5 years the respective owners are enjoying the same and if any further painting it is the responsibility of the members of the association is not true and is hereby denied. Though the builder/respondent has handed over the painted building, however, because of continuous construction activity which was happening in and around the society by the respondent/builder, painting on the external walls got damaged. It is the responsibility of the builder/respondent to complete the building and to hand over the same in full-fledged form. Now having still making constructions in the building premises, he cannot throw the blame on the members of the association to take up external painting which was preliminarily caused because of the activity undertaken by the builder/respondent himself.

40. The builder/respondent is liable to be rectify the above defects and to hand over the same to the members of the complainant association as promised in the broacher and in the sale deeds.

41. It is necessary to submit here that there is an alternate land which is available at the back side of the site. The builder/respondent can complete the construction of the club house in the above vacant site which is lying vacant and which belongs to the builder/respondent. If the proposed club house is constructed at the back side of the above site all the problems would be solved. The other defects with regard to seepage issue, replacing the old generators. providing water proofing and installing automatic valve system can be completed as it is his responsibility to clear the same and to hand over the flats to the members of the complainant association.

42. In view of the above, it is prayed that this Hon'ble Authority may be pleased to allow the complaint and direct the builder/respondent to complete the amenities as preferably as possible within two months and also to rectify the defects immediately.

F. Observations made by the Authority:

43. After we have heard learned counsels for the parties at length, the following questions emerges for our consideration in the present complaint are as under:

Points for consideration:

- 1) Whether the present matter is maintainable before this Authority
- 2) Whether the complainants are entitled to the reliefs sought?
- 3) Whether the Respondent violated the provisions of RE(R&D) Act, 2016?

Point 1:

44. The Respondents, in their reply, have raised a preliminary objection regarding the maintainability of the present complaint, contending that the project in question is not subject to the provisions of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "RE(R&D) Act") as the building permission was obtained on 24.04.2023, vide File No. 1532/06.01/2011, Permit No. 15910/HO/WZ/Cir-12/2011. The Respondents argue that since the permission was

granted prior to 01.01.2017, the complaint is not maintainable under the provisions of the said Act. They have reiterated this contention through the filing of I.A No. 33. Conversely, the Complainant contends that the project qualifies as an "ongoing project" as defined under the RE(R&D) Act and, therefore, falls within the jurisdiction of this Authority.

45. In order to adjudicate upon this issue, it is imperative to examine the relevant statutory provisions governing the applicability of the Act. Rule 2(1)(j) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as "TG RE(R&D) Rules") defines an "ongoing project" as:

Rule 2(1)(j) of the Rules defines an "Ongoing Project" as:

"Ongoing Project" means, a Project where development is going on and for which Occupancy Certificate or Completion Certificate has not been issued but excludes such Projects for which building permissions were approved prior to 01.01.2017 by the Competent Authorities viz., UDAs / DTCP / Municipal Corporations / Municipalities / Nagar Panchayats / TSIIC as the case may be."

Further section 3 of the RE(R&D) Act reads as under:-

"Notwithstanding anything contained in sub-section (1)- no registration of the real estate project shall be required-

a) where the area of/and proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases:

Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;

b) where the promoter has received completion certificate for a real estate project prior to commencement of this Act;

c) for the purpose of renovation or repair or re-development which does not involve marketing, advertising selling or new allotment

of any apartment, plot or building, as the case may be, under the real estate project

Explanation.— For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a stand-alone real estate project, and the promoter shall obtain registration under this Act for each phase separately.”

46. A plain reading of Section 3(2)(b) makes it evident that projects for which a Completion Certificate was obtained prior to the commencement of the RE(R&D) Act (i.e., 01.05.2017) are exempt from registration under the Act. The legislative intent, as reflected in the provisions of the Act, is to regulate ongoing projects that had not obtained a Completion Certificate prior to the commencement of the Act.

47. In the present case, the Respondents have not obtained an Occupancy Certificate or a Completion Certificate either at the time of the commencement of the RE(R&D) Act or thereafter. The project remains incomplete as of date. In view of the foregoing, and in light of Section 3 of the RE(R&D) Act and Rule 2(1)(j) of TG RE(R&D) Rules, the concerned project qualifies as an "ongoing project" and, therefore, falls within the ambit of this Authority.

48. The Hon'ble Supreme Court, in ***M/s. Newtech Promoters and Developers Pvt. Ltd. v. State of Uttar Pradesh & Others [LL 2021 SC 641]***, has categorically held that the RE(R&D) Act has retroactive applicability and applies to all ongoing projects that had not obtained a Completion Certificate before the commencement of the Act. The Hon'ble Apex Court observed that the legislative intent was to ensure compliance with the provisions of the Act for all such projects, regardless of their date of commencement. The Court further held that only projects that had obtained a Completion Certificate prior to the enforcement of the Act would be exempt from its purview.

49. In light of the said judgment, it is clear that the RE(R&D) Act, 2016, applies to all ongoing projects where a Completion Certificate or Occupancy Certificate has not been obtained. The legislative mandate, as upheld by the Hon'ble Supreme Court, underscores that mere grant of building permission prior to 01.01.2017 does not suffice to exempt a project from the applicability of the Act unless a Completion Certificate was also obtained prior to its commencement.

50. The Respondents have also placed reliance on Rule 2(1)(j) of the TG RE(R&D) Rules to contend that the complaint is not maintainable. However, Section 89 of the RE(R&D) Act provides for an overriding effect over any inconsistent provisions contained in any other law, including state rules. Section 89 reads as follows:

“89. Act to have overriding effect.— The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force.”

51. Further, as per Section 84 of the RE(R&D) Act, the power of the State Government to frame rules is subject to the provisions of the Central Act. Any rule framed by the State Government must remain subordinate to the parent statute and cannot override its provisions. In the event of any conflict between the Central Act and the rules framed under it, the provisions of the Central Act shall prevail in accordance with the doctrine of repugnancy under Article 254 of the Constitution of India.

52. In view of the foregoing, this Authority holds that the project in question qualifies as an "ongoing project" under the provisions of the RE(R&D) Act, 2016, and is, therefore, subject to its regulatory framework. Accordingly, the preliminary objection raised by the Respondents is rejected, and the present complaint is held to be maintainable before this Authority. Point 1 is answered accordingly.

Point 2:

53. The complainants' relief has mainly revolved around the Respondents have failed to provide certain amenities that were promised in the brochure and further that the Respondents failed to complete the construction till date and structural defects that need to be rectified by the promoter respondent. The Respondent on the other hand contended to complete most of the work and rectify the defects. With regard to the amenities that the complainants are claiming for, Respondent submitted that these amenities are a part of the club house, and the area marked in the sanction plan for the commencement of the club house is unfortunately the neighbouring landowner, the government of telanagana claimed to be an overlap and obstructed for further constructing and for the same the Respondent have approached High Court of Telangana vide writ petition no. 1572 of 2020 and obtained status quo order. Hence, till the pending litigation is disposed of, the Respondent will not be able to complete the construction of the club house, however for the time being, the Respondent claims to have been given substitute temporarily

rooms to run it as their association office, games room, function hall and space for cultural activities.

54. During the proceedings, both the parties requested for a third party inspection for adjudication of the Authority Consequently, the Engineering Staff College of India was directed to inspect the subject Villa via letter dated Lr.No.1786/TGRERA/2024, Dated 04.07.2024. Subsequently, the inspection report, vide ESCI/PD/TPQC/TSRERA/15/2024-25, dated 20.08.2024. The Inspection report has provided a detailed inspection, conducted in the presence of both parties, listing concerns raised by the complainant. As per the Report, following are the evaluation and observation made:

PART - I Comprehensive Evaluation on Defects and quality issues rasied by the complainants:

S.no	Nature of defect, quality Issues	ESCI Observations	Team Developer compliance
1.	Seepage issues/leakages	Inspection was conducted in the cellars & Sub cellars of all 6(six towers) and noticed provision of drain for collection of seepage water & for further disposal with pumping arrangements.	The developer has made pumping arrangements for disposal and needs timely operation of pumping system during rains.
2.	Water proofing on top floor	MARIGOLD TOWER & ROSE The TOWER Noticed dampness and damage of false ceiling in corridor of floor and one of the flat dampness is noticed on walls of 9th floor. In Flat no. 904 of ROSE TOWER, it was informed that the entire false ceiling was collapsed but the flat was locked and key not available for inspection. On inspection of the terrace floor, it was noticed that the expansion joint on the terrace slab needs to be properly fixed and covered, further hair line cracks are noticed on the surface of the terrace	The developer needs to fix the expansion joint properly and make it leakproof. Proper water proofing treatment of the entire terrace floor is to be revisited.

		floor weathering coat at various	
3.	Water logging in the lift pits	Stagnation of water is noticed In the lift pit to an extent of 2" in sub-cellar of the following towers 1) MARIGOLD 2) JASMINE 3) LOTUS	The builder is advised to identify the source of seepage and fix the issues.
4.	Poor Electrical infrastructure resulting in fluctuations in the incoming power supply and electrical outages.	The reasons for power fluctuations may be owing to 1)overloaded power connections on the TGSPDCL 11KV power grid supply ii)Confirmation of Transformer working condition iii)Confirmation of working condition of distribution panels iv)Any loose contact if any.	The developer needs to fix this issue duly verified by a Electrical certified Inspector/Engineer and ensure regular power supply
5.	Second outdated hand Diesel Generators installed in ROSE & DAFFAODIL Towers	The Developer promised to examine and address this issue duly replacing with need based new Diesel Generators by DEC-2024	
6.	No Compound wall for the building and expressed safety concerns	The entire premises was inspected and found compound wall existing with gates and deployment of security personnel at the main gate. A small portion of compound wall is seen dismantled near the proposed club house owing to stoppage by the Revenue Authorities and the matter is said to be Sub-Judice.	The Developer promised to build the gap portion of the compound wall on resolving of the Sub-judice matter.
7.	Continuous vehicular movement resulting in sound disturbance and air pollution.	As on date two towers are under construction and further EWSH & LIGH are to be to constructed hence vehicular movement and some inconvenience is inevitable.	However, the developer is advised follow construction safety manual and limit the construction vehicular traffic by properly organising.

8.	Common area power billing title change from builder to Society	Title change has to got done by the society by submitting the documents to the TSPDCL and get the change of category i) Copy of sale deed ii) Copy of O.C. iii) Pan Card of the Society iv) List of Society members approved by DCO v) Society Registration Cert. vi) Affidavit	It is the Domain of Society copy of sale deed and OC to be furnished by the Developer.
9.	Automatic Valve system for Over Head tanks. Builder has not made the provision	On inspection it is noticed that Solenoid Automatic Electro-Mechanically operated valves are provided which work on sensors, it requires proper maintenance and Operation by the Society.	The Society needs to look after the regular O&M System.
10.	External paintings- Due prolonged wall construction activity four blocks JASMINE, LOTUS, TULIP & MARIGOLD Towers need External painting	On inspection there is to significant damage to external painting	However, the Developer promised to provide a single coat external paint to the towers effected after completion of civil works of balance two towers.

PART II - Comprehensive Evaluation on Status of the amenities to be provided by the Builder

S.no	Nature of Amenities promised by the Builder	ESCI Team Observation	Developer Compliance
1.	Lifts As per sanction and assurance by the builder 3 lifts need to be provided, but only 2 lifts are provided.	On inspection two lifts are provided and there is a provision for one more lift and the lift openings are covered with plywood sheet as a safety measure.	The developer promised to provide the 3rd lift by Feb-2025 and accepted by the society members.
2.	Central Park Not yet constructed by the builder.	Civil works are completed and earth filling and landscaping needs to be done	The developer promised to complete the central park by end of Nov-2024
3.	Manjeera connection	The Builder has revised sanction for 360KLD vide	The Developer promised to Liaison

	enhancement increased flats	File Serilingampally Zonal office no.2024-3-3583 from for road cutting permission HMWSSB and made the and get the work done at necessary payments and the earliest. Road cutting permission. is awaited for laying an exclusive water pipeline and release the water.	with the GHMC Serilingampally Zonal Office Road cutting permission and get the work done at the earliest.
4.	Diesel Generator Second hand outdated Diesel Generators installed in ROSE & DAFFAODIL Towers	The Developer promised to examine and address this issue duly replacing with need based new Diesel Generators by DEC-2024	
5.	CLUB HOUSE- Not Yet constructed	On inspection the club house construction was commenced and frame structure done for one floor and was stopped by the Revenue Authorities. The Developer has filed WP.no.1572 of 2020 against the Revenue authorities and the case is posted for counter filling	The Developer promised to follow up the case for early resolution.
6.	JOGGING TRACK- Not yet constructed as promised by the Developer	During the inspection Exclusive Jogging track was not observed during the inspection.	The Developer promised to provide the jogging track after the completion of civil works of balance two towers in the setback portion existing al round the towers.
7.	VISITOR'S LOUNGE not yet constructed	During the Inspection Exclusive Lounge area is not existing	The Developer has promised to provide the needed furniture for lounge and place them at the entrance lobby across all towers for convenience of the visitors.
8.	LAND GRADENS, SCAPE FOUNTAINS & SCASCADES not yet provided by the developer	On Inspection Land scape garden is completed on the three 2024 sides Fountain is provided and Cascades	The Developer promised to complete by end of Dec-2024

		finishing needs to be completed.	
9.	Basketball court & Pool table provided not as promised.	On inspection it is noticed that a Multipurpose court is existing for both Shuttle and Basket ball	Already provided
10.	Mineral water plant not yet constructed as promised	On inspection existing not existing	The Developer accepted to provide water softener for Bore well water by January-2025 as Manjeera water is already existing and further enhancement is in pipeline.
11.	Gas pipeline	On inspection not existing	The Developer expressed his inability for this provision.
12.	Fire Safety equipment not installed in DAFODILS & ROSE Towers, remaining 4 towers Fire Installations are not tested.	On inspection it is noticed that the Fire safety infra is installed in 4 towers, further the Fire Department approval is perused and noticed that the approval is valid upto July-2024 for "A" & "F" towers and Aug-2024 for "G" & "H" and requires renewal immediately. The Developer needs to conduct a mock drill of the Fire incident and appraise the Asset Maintenance wing as well as the occupants.	The Developer assured to comply after getting clarification from the Fire Department immediately.
13.	Swimming Pool-Not Yet constructed as promised by developer	The Developer informed that the Mini Theatre is located in the Club house and as the club house construction is stalled by the Revenue Authorities owing to Sub-Judice matter.	The Developer promised install further filtration equipment installations and commission the pool by end of Feb-2025 for which the society has accepted.
14.	Mini Theatre	The Developer informed that the Mini Theatre is located in the Club house and as the club house construction is stalled by the Revenue Authorities owing to Sub-	The Developer promised to provide the facility on resolution of the Sub-Judice matter the Hon'ble High Court at the earliest

		Judice matter.	for which the Society has accepted.
15.	Guest Rooms -Not Yet constructed as promised by Developer	On inspection it is noticed that the in each tower one flat is allocated as Guest rooms and sufficient furniture needs to be provided.	The Developer promised to provide the needed furniture by end of Aug-2024 for which the society has accepted.
16.	Creche-Provided by the developer but the rent is beinf collected by the Developer himself	On inspection it is noticed Creche is existing and managed by private agency, the rent is being collected by the developer	The Developer promised to hand over the Creche to the Society for further maintenance immediately
17.	Visitor's Parking Not Yet provided as promised by Developer	On inspection Is noticed the visitors are parking temporarily in the premises.	The Developer assured to allocate 10 parking slots exclusively for Visitor's at the earliest
18.	24x7 Security IP based CC cameras Insisted as against Analog based cameras without proper coverage	On inspection noticed Cameras it Is are provided at four corners of the building in Ground floor In Cellar and Sub-Cellar cameras are provided at entry and exit points.	The Developer asserts that they have provided as per their scope and further need based may be done by the Society.
19.	Sewerage Treatment Plant Not tested properly and not handed over by Developer.	On inspection noticed non-functional of STP	The Developer asserts that the STP was functional and treated water system was connected exclusively for flushing of toilets, Later, on complaints of foul odour and cross connections the occupants have disconnected the system and disabled the STP functionality. However the Developer needs to commission the STP and hand over to the Society by Dec-2024

55. Based on the findings of the Report, it is evident that the concerned project suffers from multiple structural and other defects that require rectification by the promoter. Furthermore, certain amenities, which were contractually obligated to be provided, have not yet been handed over to the complainants. Under Section 14(3) of the Real Estate (Regulation & Development) Act, 2016, it is explicitly stated that:

"In case any structural defect or any other defect in workmanship, quality, provision of services, or any other obligation of the promoter under the agreement for sale is brought to the notice of the promoter within five years from the date of handing over possession, the promoter shall rectify such defects without additional cost within thirty days. In the event of the promoter's failure to do so within the stipulated period, the aggrieved allottees shall be entitled to appropriate compensation as provided under this Act."

56. In the present case, the project undertaken by the Respondent is still ongoing, and the agreed-upon amenities have yet to be handed over to the allottees. Given that the Respondent has acknowledged the defects cited in the Report and has agreed to undertake the necessary rectifications, the Respondent is hereby directed to rectify all deficiencies identified in the inspection report in accordance with the assurances provided.

57. Furthermore, this Authority has already passed an interim order dated 04.05.2024, directing the Respondent as follows:

7. In consideration of the safety concerns raised by the complainant association and in the interest of upholding their rights, this Authority, exercising its powers under Section 37 of the RE(R&D) Act, hereby issues the following directives to Respondent 1:

- a. The Authority recommends the construction of a 2-foot-high basement along the site boundary to protect residents from snakes and other hazardous animals. Additionally, the installation of a gate for the protection of ingress and egress shall be done by Respondent 1*
- b. With the impending monsoon season, the complainants' concerns regarding seepage and leakages are noted. Therefore, waterproofing measures should be undertaken on the terrace.*
- c. Steps have to be taken to ensure no water enters the the lift pits.*

d. Respondent 1 is directed to strictly adhere to these directives and to complete the aforementioned works within 15 days from the date of receiving this order.

In the event of non-compliance with the aforementioned directives, appropriate action under section 63 will be initiated against Respondent 1. This matter is scheduled for review on 11.06.2024.

58. Furthermore, the Respondents have subsequent to the Interim Order filed explanation memo stating that a portion of the compound wall remains incomplete due to an ongoing litigation before the Hon'ble High Court. Additionally, the terrace waterproofing is being attended to as it involves minor leakage issues, and concerns related to the lift pits have already been addressed.

59. The Authority further notes that the clubhouse area within the project is under dispute, with the matter pending adjudication before the Hon'ble High Court of Telangana in Writ Petition No. 1572/2020. Since the land in question is presently under judicial consideration, this Authority, at this juncture, is unable to grant any relief concerning the completion of construction on the disputed portion.

60. **Works to be Completed/Rectified by the Respondent Promoter:**

1. The expansion joint on the terrace slab shall be properly fixed, and comprehensive waterproofing treatment of the entire terrace shall be carried out in Marigold and Rose Towers.
2. The source of water stagnation in the lift pit shall be identified and rectified immediately.
3. The issue of power fluctuations shall be examined and resolved without delay to ensure a stable and uninterrupted power supply.
4. Concerns regarding the Diesel Generators shall be duly examined and appropriately addressed.
5. The compound wall gap, as assured by the Respondent, shall be completed upon resolution of the ongoing litigation.
6. As undertaken by the Respondent, a single coat of painting shall be applied to the affected towers after the completion of civil works in the remaining two towers.
7. In accordance with the sanctioned plan, the Respondent shall ensure that the third lift is installed and made operational for the allottees.
8. The central park shall be completed in its entirety.

9. The Respondent shall expedite the installation of the Manjeera water pipeline connection, ensuring compliance with the commitment made to liaise with the competent authority for its earliest completion.
 10. The jogging track and visitors' lounge at the entrance, as promised in the project brochure, shall be duly completed.
 11. Landscaping, including gardens and fountain works, shall be executed as per the approved plan.
 12. A water softener for borewell water shall be made available for the complainants.
 13. The Respondent shall immediately renew the necessary approvals from the Fire Department for all four towers and install fire safety equipment in Daffodils and Rose Towers.
 14. Visitor parking shall be duly allocated and demarcated in accordance with the sanctioned plan and made available for use.
 15. The functionality of the Sewage Treatment Plant (STP) shall be restored and made operational for the benefit of the allottees without delay.
61. The works identified above, wherein the Authority has expressly directed immediate rectification, shall be completed without any further delay. The remaining works shall be completed within 90 days from the date of this order.

POINT 3:

62. In light of the submissions made by the Respondent-promoter during the hearing, the inspection report, and the documentary evidence on record and as examined and observed in paragraphs 44 to 52 of this Order, it is evident that the concerned project, namely "RDB Coconut Grove," remains an ongoing project, as its construction is yet to be completed. As the promoter continues to advertise and market the sale of apartments through its website and various real estate marketing platforms. As of the present date, the total area of land under construction exceeds 500 square meters, and the number of apartments being developed surpasses eight. Additionally, the project has not obtained an Occupancy Certificate prior to the commencement of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the

"RE(R&D) Act"). Consequently, the project is not exempt from mandatory registration under the said Act. Such non-compliance necessitates the imposition of a penalty under the applicable provisions of the Act to uphold the legislative intent and ensure compliance with statutory requirements.

63. The Authority is satisfied that the Respondent has violated the provisions of Section 3(1) of the RE(R&D) Act, 2016. This omission attracts penal consequences under Section 59(1) of the Act, which is reproduced below:

"If any promoter contravenes the provisions of section 3, he shall be liable to a penalty which may extend up to ten percent of the estimated cost of the real estate project as determined by the Authority.

64. In determining the appropriate quantum of penalty, it is imperative to consider the nature and extent of the violation committed by the Respondent. A plain reading of Section 3 of the RE(R&D) Act, 2016, mandates that any real estate project which has not obtained an Occupancy Certificate or a Completion Certificate prior to the commencement of the Act must be duly registered under its provisions. The Respondent's failure to comply with this statutory mandate warrants the imposition of a penalty.

65. It is essential to clarify that the imposition of this penalty does not serve as a means to regularize the breach committed by the Respondent. Rather, it serves as a deterrent measure, aimed at discouraging similar violations in the future and ensuring strict adherence to the regulatory framework established under the Act.

G. Directions of the Authority:

66. Based on the facts submitted, evidence on record, and the findings given thereon by us as discussed herein above, this Authority holds that the complainant is entitled to the reliefs as prayed by him, and the same is

allowed in his favour, and the Respondent 1 and 2 are hereby directed as follows:

- a. The Respondents shall rectify and complete all the works specified in Paragraph 60 of this Order. Any works expressly directed for immediate rectification by this Authority shall be completed without further delay. The remaining works shall be duly completed and rectified within ninety (90) days from the date of this Order.
 - b. In view of the clear contravention of Sections 3 of the RE(R&D) 2016, this Authority, exercising its powers under Section 59 of the said Act, imposes a penalty of Rs.6,00,000/- (Rupees six lakh only) on Respondent 1. The amount is payable in favour of TGRERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 60 days of receipt of this order by the Respondents.
 - c. Respondent No. 1 is hereby directed to register the concerned project “RDB Coconut Grove Apartment” under Section 3 of the Real Estate (Regulation and Development) Act, 2016, within 45 days from the date of receipt of this order. Until such registration is obtained, the Respondent is restrained from marketing, booking, selling, offering for sale, or inviting any person to purchase any unit in the said project.
67. Failure to comply with above said directions by the Respondents and complainant shall attract penalty in accordance with Section 63 of the said Act, 2016.
68. In light of the foregoing, the complaint stands disposed of accordingly.

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

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

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