

**BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY**  
**[Under the Real Estate (Regulation and Development) Act, 2016]**

**COMPLAINT NO.104/1 OF 2024**

**8<sup>th</sup> Day of July 2025**

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

Venkata Naga Sai Gupta Chegu  
R/o Flat No.304, Srinilayam,  
Nehru Nagar, Khammam-507001.

...Complainant

Versus

1. M/s Aaditri Housing Private Limited.  
through its Promoter, Sri M. Ramakrishna  
Plot No. 233, H. No. 8-2-293/82/A/233,  
Road No. 36, 3<sup>rd</sup> Floor, Pravriti Bhavan,  
Jubilee Hills, Hyderabad-500033.
2. Smt. Jakkepalli Sri Lakshmi (agent)  
H. No. 10-4-30, Near Sai Baba Temple,  
Mamillagudem, Khammam-507001.
3. Sri Jakkepalli Appa Rao (Late)  
H. No. 10-4-30, Near Sai Baba Temple,  
Mamillagudem, Khammam-507001.

...Respondents

The present matter filed by the Complainants herein came up for hearing on 12.12.2024 before this Authority in the presence of the Complainant in person along with Counsel for Respondent No.1, Sri MM Venkata Kumar Reddy, Counsel for Respondent No.2, Smt. S. Anuradha; & Counsel for Respondent No.3, Sri G. Subhash, however, the impugned complaint has been *abated* to the extent of Respondent No.3 herein, Sri Jakkepalli Appa Rao, due to his demise on 21.04.2025. After hearing the submissions of the remaining parties, this Authority proceeds to pass the following **ORDER:**

2. The present Complaint has been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the “Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the “Rules”) seeking appropriate relief(s) against the Respondents.

**A. Brief facts of the case:**

3. The Complainant submitted that for 12 years Complainant has been acquainted with one person Mr Jakkepalli Venkatarama Krishna. Out of such acquaintance, his son, Sri Jakkepalli Venkat Appa Rao, Respondent No.3 herein, and his daughter in law, Smt. Jakkepalli Sri Lakshmi, Respondent No.2 herein, who are working as agents at Respondent No.1 Company had offered for purchase of 2 flats in the Project “AADITRIS EMPIRE” registered with this Authority vide Regn. No. P01100002772 dated 30.04.2021 having validity up to 30.06.2028.

4. The Complainant submitted that being in service as a bank manager, the Complainant and his wife, who is also a bank manager, out of their hard-earned money, intended to purchase two flats as offered by Respondent No.2 & 3 in the above-mentioned project. Believing their words, on 31.12.2019, a token payment of Rs.1,00,000/- (Rupees One Lakh Only) was paid to Respondent Nos.2 & 3. On the same day the payment receipts were given to the Complainant by Respondent Nos.2 & 3.

5. That subsequently, on 25.08.2020, upon the advice of Respondent Nos.2 & 3, the Complainant and his wife transferred Rs.30,00,000/- (Rupees Thirty Lakhs Only) directly to Respondent No.1 to their concerned ICICI Bank account no. 007605005991 Vide. RTGS transactions. That further, on subsequent dates till Feb 2021, the Complainant paid nearly fifty lakhs to Respondent No.1 through its approved agents Respondent Nos.2 & 3 through bank transactions and obtained receipts and Agreement of Sale dated 14.09.2023 for flat No.A-104 in 1<sup>st</sup> floor of Aditri’s Empire from Respondent No.1 Company.

6. It was submitted that after 21.07.2021, the Complainant and his wife moved to the USA as Complainants’ children are residing in the USA and stayed there for about 18 (eighteen) months. That even from the USA, Complainant and his wife have

transferred nearly 45 lakhs of amount to Respondent No.3 having ICICI account No.249101501377 to fulfill the balance sale consideration.

7. The Complainant submitted that after returning from the USA in April 2023, Complainant approached Respondent Nos.2 & 3 to register the two flats purchased by them from Respondent No.1 Company, but Respondent Nos.2 & 3 started dragging the matter on one pretext or the other. When Complainant approached Respondent No.1 Company and enquired about the payments made, the Complainant learned that out of the total payments made by the Complainant to an extent of Rs.1,23,54,980/- (Rupees One Crore Twenty-Three Lakhs Fifty-Four Thousand Nine Hundred Eighty Only) only Rs.44,90,000 (Rupees Forty-Four Lakhs Ninety Thousand Only) had been received by Respondent No.1 and remaining amounts had been usurped by the Respondent Nos.2 & 3.

8. The Complainant submitted that the total receipts and other related documents, from the beginning which have been given to the Complainant (through WhatsApp) were fake & fabricated by Respondent No.2 & 3 in the name of Respondent No.1 Company. The Complainant submitted that he had been cheated by the agents i.e., Respondent Nos.2 & 3 who created false documents in the name of Respondent No.1 Company who are liable to register the two flats in the name of the Complainant as the Complainant has paid the total sale consideration.

#### **B. Relief Sought:**

9. Aggrieved by the actions of the Respondents, the Complainant prayed to take appropriate action under the provisions of the RE(R&D) Act, 2016 against the Respondents alleging mismanagement of funds and seeking possession of the flats as he has paid the total sale consideration.

#### **C. Counter on behalf of Respondent No.1:**

10. The Respondent No.1 Company filed a detailed reply submitting that the entire averments of the complaint as well as the documents filed along with the complaint reveal the Complainant has a grievance against the Respondent No.2 & 3 only and nothing against the Respondent No.1 Company.

11. Respondent No.1 submitted that the Complainant approached this Authority with unclean hands, only based on private transactions with Respondent No.2 & 3 and this Authority has no jurisdiction to adjudicate the matters in respect of the transactions between the private parties.

12. It was submitted that Respondent No.2 is not an authorized agent of Respondent No.1 Company but merely an Associate who facilitates client walk-ins. Upon bringing in clients, an Associate is issued an identification from the Company and assigned a specific number. The role of the Associate is limited to introducing clients/customers, and they are neither involved in monetary transactions nor vested with any authority to collect funds on behalf of the Respondent No.1 Company.

13. Respondent No.1 further submitted that the relief sought in the complaint, wherein the Complainant prays for a direction from this Authority to the Agent and Promoter to hand over possession on the ground that the total sale consideration has been paid, and alleges mismanagement of funds by the Agent and Respondent No.1 Company which is contrary to the Complainant's own undertaking in the notarized sworn affidavit dated 26.08.2023. In the said affidavit, the Complainant and his wife have expressly admitted that the Respondent No.1 Company has no involvement in the alleged misappropriation of funds and that the fraudulent acts were committed solely by Respondent Nos.2 & 3.

14. The Respondent No.1 submitted that the documents filed by the Complainant along with the complaint, i.e., (1) the copy of the complaint given by the Complainant to the Commissioner of Police, Khammam, dated 28.01.2024 reveals that, each and every money transaction is between the Complainant and Respondent No.3 (who is the husband of the Respondent No.2) is a 3rd party and neither he is the Agent nor Associate of the Respondent No.1 Company.

15. Second, the Statement of Account from the year 2019 to 2022 of Respondent No.3 bearing ICICI Bank, A/c. No.249101501377 establishes that the entire transactions were made between the Complainant and Respondent No.3 and for the misappropriation of the Complainant's money, the Complainant had already lodged a criminal complaint against Respondent No.2 & 3. Respondent No.1 submitted that

the Complainant had knowledge about who is the real culprit, and how much the amount was paid to them, and how much amount Respondent No.1 has received.

16. It was further submitted that the Complainant and his wife, both retired bank employees, possess substantial knowledge of financial transactions and the individuals who may have misled them. That Respondent Nos.2 and 3 are close relatives and family friends of the Complainant, with prior financial dealings dating back to 11.06.2020. The Sale Agreement dated 14.09.2023, pertaining to Flat No. A-104, explicitly sets forth the dates and details of the bank transactions. It is only upon receipt of the agreed consideration that the Agreement of Sale was executed. In accordance with the RERA-approved schedule, possession of the said flat shall be handed over to the Complainant's wife, Smt. Lakshmi Kalyani, and a sale deed shall be duly registered at the time of such handover.

17. That, whenever the company received the money by way of cash or cheque or NEFT/RTGS/IMPS, the office automatically issued a GST Receipt in favour of the beneficiaries. In this case also, Respondent No.1 issued Receipts in favour of the Complainants' wife, and completed the Sale Agreement Process and as per the RERA registration, Respondent No.1 promised to hand over the Flat bearing No.A-104 as per the timeline.

18. Respondent No.1 further submitted that the Complainant suppressed a fact. That, on 26.08.2023, the Complainant and his wife had given an undertaking affidavit in favor of Respondent No.1 stating that *"we have friendly relation with Venkata Appa Rao and there are financial transactions between us. M/s. Aaditri Housing Private Limited is not concerned with our financial transactions and documents viz Receipts, refund note, payment acknowledgments, financial payments details on Non-Judicial Stamp Paper issued by Venkata Appa Rao"*, and also in Clause No.3, it was specifically mentioned that *"M/s. Aaditri Housing Private Limited has refunded for a sum of Rs.3,48,221/- (Rupees Three Lakhs Forty Eight Thousand Two Hundred and Twenty one only)"*. In Para No.4 of the Affidavit, it was stated that, *"we have settled the matter and we have no grievance against M/s. Aaditri Housing Private Limited. We have no claim against M/s. Aaditri Housing Private Limited with respect to the financial transactions with Venkata Appa Rao and documents viz Receipts, refund note, payment acknowledgments, financial payments details on non-judicial stamp paper issued by Venkata Appa Rao"* as such the complainant committed

"*suppressio vari suggestio falsi*". Hence, Respondent No.1 submitted that it has no liability in the financial transactions between the Complainant and Respondent Nos.2 & 3.

19. It was also submitted that Respondent Nos.2 & 3, while taking advantage of their friendly relation with the Complainant and his wife, directly received the money into their personal bank accounts from the Complainant. That further, Respondent Nos.2 & 3 created the receipts, refund note, payment acknowledgments with false, fabricated and forged signatures of the Respondent No.1 Company. Respondent No.1 categorically submitted that Respondent No.1 is not responsible, nor answerable and neither liable to the money transactions in between the Complainant Respondent Nos.2 & 3 and also the fraudulent receipts, refund notes, payment acknowledgment created by Respondent Nos.2 & 3. In view thereof, Respondent No.1 submitted that the present complaint is not maintainable and is liable to be dismissed against Respondent No.1.

**D. Rejoinder filed by Complainant to the Counter of Respondent No.1:**

20. In response to the counter filed by the Respondent No.1, the Complainant submitted that the present complaint had been filed alleging mismanagement and embezzlement of funds and seeking directions from this Authority to direct the Respondents to hand over possession and register flats Nos. A1504 (PB No. 1222) and A1413 (PB No. 1223) in the project being promoted by Respondent No.1, for which the entire sale consideration has been paid by the Complainant.

21. The Complainant submitted that Respondent No. 2 is an associate of Respondent No. 1 who is the wife of Respondent No.3. That Respondent No.3 initially persuaded the Complainant and his wife to purchase flats 1504A and 1413A, each measuring 1665 sq ft, at Aaditri Empire, Kollur, Hyderabad. Under this inducement, the Complainant transferred an initial token payment of Rs. 1,00,000/- (Rupees One Lakh Only) (in two installments of Rs. 50,000/- each on 31-12-2019 and 01-01-2020) to Respondent No.3's ICICI Bank account (No. 249101501377) as Respondent No. 2 lacked a bank account in her own name. This amount was paid from the Complainant's Union Bank of India account No. 129510100029321.



22. The Complainant submitted that Respondent No.1 along with Respondent Nos.2 & 3 accepted these payments, and receipts were issued, acknowledging Respondent No. 2's authority to collect payments on behalf of Respondent No.1 Company. The Complainant submitted that contrary to the claims of Respondent No. 1 that the associate only brings clients and does not handle transactions, no public notice or communication was made to inform the Complainant of this. Furthermore, no KYC norms were observed, nor were any GPA authorizations obtained to permit Respondent No. 2 to collect funds on the Complainant's behalf.

23. The Complainant submitted that Respondent No.1 permitted Respondent No.2 to collect funds and received those funds even prior to obtaining RERA registration (RERA permission P01100002772, dated 30-04-2021) which constitutes a clear violation of Section 3 of the Act, 2016.

24. Complainant further submitted that subsequently, the Complainant paid Rs. 11,00,000/- (Rupees Eleven Lakhs Only) and Rs. 19,00,000/- (Rupees Nineteen Lakhs Only) on 25-08-2020 directly to Respondent No.1's ICICI Bank account No. 007605005991 via RTGS. While in the USA, the Complainant transferred an additional Rs. 65,00,000/- (Rupees Sixty-Five Lakhs Only) to Respondent No.3's ICICI Bank account, following instructions from Respondent No.2, which was subsequently transferred to Respondent No.1. The payments of Rs. 9,10,000/- (Rupees Nine Lakhs Ten Thousand Only) (for PB No. 1222) and Rs. 3,90,000/- (Rupees Three Lakhs Ninety Thousand Only) (for PB No. 1223) were made on 11-06-2020 and 12-06-2020, respectively, to Respondent No. 1. Later, Rs. 3,90,000/- (Rupees Three Lakhs and Ninety Thousand Only) were transferred from PB No. 1223 to PB No. 1222 without the Complainant's knowledge.

25. The Complainant submitted that Respondent No.2's role as an associate is acknowledged by Respondent No. 1. However, Respondent No. 2's denial of liability is contradictory, as Respondent No.1 accepted payments from them, even prior to receiving RERA authorization (RERA permission P01100002772 dated 30-04-2021), in violation of Section 3 of the Act, 2016.

26. The official receipt dated 03-06-2023 issued by Respondent No.1 includes the associate identification as IBA 20500, confirming Respondent No. 2's formal appointment with rights to collect payments for Respondent No.1. No documentation

indicates that the associate had no authority to handle funds for the two flats in question. Further, as per the sale agreement dated 26-08-2023, Respondent No. 1 failed to hand over possession of unit A-104 in Aaditri Empire, Kollur, Hyderabad, nor has the property been registered in the Complainant's favor, even after making the last payment of Rs. 1,47,309/- (Rupees One Lakh Forty-Seven Thousand Three Hundred and Nine Only) on 10-07-2023. The Complainant learned that property A-104 is mortgaged to the competent authority, making the sale agreement invalid, as the Respondents had no right to sell mortgaged property.

27. Complainant also submitted that Respondent No.1 failed to issue a GST receipt for the final payment of Rs. 1,47,309/- (Rupees One Lakh Forty-Seven Thousand Three Hundred and Nine Only) made on 10-07-2023, which is contrary to RERA regulations. Further, the Complainant submitted that the sale agreement was signed under pressure from Respondent No.1, who assured the Complainant that legal action would be taken against Respondent Nos.2 & 3 to recover embezzled funds. The Complainant signed the agreement on 26-08-2023, trusting this assurance. Respondent No.1 sent a legal notice on 23-08-2023 to Respondent Nos.2 & 3, demanding repayment of the misappropriated funds, failing which civil and criminal action would be pursued. However, since signing the agreement, Respondent No. 1 has failed to disclose any evidence of fraud by Respondent Nos.2 & 3, reflecting their collusion.

28. Complainant further submitted that after signing the affidavit on 26-08-2023, there has been no progress update from Respondent No. 1 regarding the project or registration of the completed property, even though they promoted the project as a pre-launch offer before obtaining RERA authorization. The Complainant's attempts to reach out to Respondent No. 1's office have been futile, with no customer grievance system or responsive communication.

29. Complainant submitted that at the time of entering into the sale agreement, Respondent No.1 assured us of immediate legal action against Respondent No.2 and her husband to recover any misappropriated funds. The legal notice dated 23-08-2023 issued by Respondent No.1 to Respondent Nos.2 & 3 further confirmed Respondent No.1's acknowledgment of their wrongdoing. However, no follow-up actions were taken, indicating potential collusion between the company and Respondent Nos.2 & 3.



**E. Counter on behalf of Respondent No.2:**

30. Respondent No.2, vide its counter affidavit, submitted that the Complainant has filed the present case with all personal allegations which this Authority has no jurisdiction to adjudicate. She submitted that the Complainant must have had transactions with so many people, but Respondent No.2 is no way connected with those transactions and not in the knowledge of those transactions.

31. She submitted that the Complainant never transferred any amount to Respondent No.2's account and never requested her to pay the instalment amounts to Respondent No.1 at any point in time. That Respondent No.2 is neither liable nor responsible for the transactions the Complainant had with Respondent No.1 or any other entity/person/firm. She submitted that the Complainant is trying to make Respondent No.2 responsible for the transaction just because the Complainant is a family friend and trying to take advantage of the transactions, he had with Respondent No.1 with which she is no way related or connected to. Even Respondent No.1 specifically stated that *"the Associate is just bring the Clients/Customers, we do not involve them into the money transactions as well as they do not have any right to collect the money on behalf of the company."*

32. Respondent No.2 submitted that she was never involved in the transactions between the Complainant and Respondent No.1, as they have no connection to those dealings. She has no record of whether the Complainant paid the full consideration to Respondent No.1 or took possession of the flat, as Respondent No.1 does not provide her with updates. Furthermore, Respondent No.2 asserted that she has no knowledge of the transactions that took place in other accounts or to whom the Complainant transferred the money. Respondent No.2 contended that the complaint is liable to be dismissed, as it has been filed solely to mislead this Authority and unjustly obtained possession of the property from Respondent No.1 by making baseless personal allegations. Therefore, she prayed that the complaint be dismissed in the interest of justice.

**F. Rejoinder filed by Complainant to Counter of Respondent No.2:**

33. Complainant filed a rejoinder to the Counter filed by the Respondent No.2 submitting that Respondent No.2 is an associate to the Respondent No.1 Company. He submitted that Respondent No.2 had offered the Complainant to purchase two

(2) flats vide its flat No.1504-A and another one flat No.1413A at Aditri Empire, Kollur, Hyderabad. Upon their advice, the Complainant purchased above said to flats and transferred the amounts as stipulated in the rejoinder filed against counter of Respondent No.1. As the contents are same, contentions of the Complainant are not being repeated herein for the sake of brevity.

34. The Complainant urged that details mortgage/charge, if any, created on the land and the project should be disclosed to the Complainant, however the same was never disclosed to the Complainant. Further, it was submitted that all the documents pertaining to the above transaction, from the beginning, are fake and Complainant's signatures are forged in the presence of the Respondent No.1 promoter team and all the original payment receipts have been handed over to Respondent Nos.2 & 3 under acknowledgement. Even the Complainant's contact details are not there in the company applications for PB No.1177, 1178, 1222, 1223 and all the signatures are forged. No KYC ever followed in Respondent No.1 company and no GPA is issued by the Complainant in favour of Respondent Nos.2 & 3.

**G. Counter filed by Respondent No.3:**

35. Subsequent to impleading Respondent No.3, it was submitted on his behalf that this Authority lacks jurisdiction to entertain this complaint, as the allegations pertain to personal financial transactions between individuals and are unconnected to any regulatory functions or violations under the Act, 2016. He submitted that Respondent No.3 is neither a promoter nor an agent, nor has he undertaken any activity falling under the ambit of real estate development or sale as per the Act, 2016.

36. He submitted that the complaint fails to establish any substantive or direct allegations linking Respondent No.3 to the alleged misconduct. It does not provide concrete evidence, documents, or details of transactions that involve me in any manner under the purview of RERA. Further, that the Complainant, based on the same transactions and facts, already filed a civil suit which is currently pending before competent civil court (OS/35/2023 on the File of Special Judge for Trial of Cases under SCs and STs (POA) Act 1989-cum III Additional District and Sessions Judge, Khammam District, Telangana State for Specific Performance of Contract.

37. It was further submitted that orders were passed dated 03-05-2024 in IA No: 2 of 2023 pending in OS No: 35/23 dated 25th July 2023 granted injunction

restraining the respondents/defendants and their men claiming through them from alienating the Petition scheduled property (House bearing No: 10-4-30 measuring to an extent of 366 square yards located in Mammilagudem, Khammam consisting of RCC roofed Ground Floor (1681.96 Sq ft) RCC roofed First Floor (1428.81 Sq ft) and RCC roofed second floor House (635.82 Sq ft) in favour of Complainant till the disposal of the main suit.

38. Respondent No.3 further submitted the Complainant has also initiated a criminal case against this Respondent, however, these allegations are yet to be substantiated or proven in any competent court of law. Pending adjudication, no adverse orders can or should be passed against Respondent No.3 based on unproven allegations. Respondent No.3 further submitted that the Complainant's actions, including filing multiple complaints on the same subject in various forums, constitute a blatant abuse of the judicial process and are designed to harass Respondent No.3.

39. Respondent No.3 further submitted that the Complainant has not substantiated his claims with documentation or admissible evidence. WhatsApp chats and unilateral statements cannot establish financial liability, especially in matters requiring stringent proof. The bank account transfers cited by the Complainant are already subject to scrutiny in the pending civil suit. Further, the Complainant has forced Respondent No.3 to sign blank promissory notes, cheques, and other documents under coercion, which he now attempts to misuse in multiple litigations.

40. Respondent No.3 submitted that he acknowledges certain financial dealings with the Complainant, however, they were private and unrelated to real estate. Respondent No.3 has consistently expressed willingness to repay legitimate dues with bank interest, contingent upon my ability to liquidate the property currently under injunction. He submitted that he has no direct or indirect role in the activities of Respondent No.1. Respondent No.2 is a business associate of Respondent No.1 and has no financial dealings with the Complainant. Accordingly, he prayed to dismiss the Complaint.

#### **H. Points for consideration:**

41. Upon careful examination of the pleadings, documents placed on record, and the oral and written submissions advanced by the parties, the Authority is of the view that the following issues arise for determination:

- I. Whether Respondent No.1 has violated the provisions of the RE(R&D) Act, 2016?
- II. Whether Respondent No.2 is a real estate agent as per Section 2(zm)? If yes, has she violated any provisions of the Act, 2016?
- III. Whether the Complainant is entitled to the relief(s) as prayed for? If yes, to what extent?

**I. Observations of the Authority:**

42. Before delving into the substantive issues, this Authority deems it appropriate to place on record that Respondent No.3, Mr. Jakkepalli Appa Rao, who had been duly impleaded in these proceedings, passed away on 21.04.2025 due to cardiac arrest. A memo to that effect was filed by the learned counsel on record on 06.05.2025, seeking abatement of the complaint against the said Respondent. In view of the said submission, the complaint stands abated as against Respondent No.3 and is treated accordingly for all further purposes.

**Point I**

43. The primary contention of Respondent No.1 is that no claim has been made by the Complainant against it, and therefore, it bears no liability in the present matter. In support, Respondent No.1 relies on an affidavit dated 26.08.2023 executed by the Complainant and his spouse, wherein they categorically stated that Respondent No.1 had no role in the alleged misappropriation of funds, and that the acts of fraud were attributable solely to Respondents Nos.2 and 3..

44. Respondent No.1 further submitted that it had issued a valid GST invoice and entered into an Agreement of Sale dated 14.09.2023 with the Complainant, which has been duly accepted. It undertook to hand over possession of the flat as per the said agreement upon completion of construction.

45. In rebuttal, the Complainant alleged that all three Respondents had conspired to defraud him. Although amounts were routed through the bank account of Respondent No.3 and eventually transferred to Respondent No.1, no concrete action apart from a legal notice was taken by Respondent No.1 against Respondent No.2 despite being aware of the alleged misuse of position. It was argued that this inaction amounts to acquiescence and collusion among the Respondents.

46. This Authority notes that an Agreement of Sale dated 14.09.2023 exists between Respondent No.1 and the Complainant. Respondent No.1, in its affidavit, has undertaken to hand over possession of the flat in accordance with the said agreement. Thus, there is a contractual obligation on part of Respondent No.1 to complete the construction and deliver possession.

47. Therefore, this Authority finds that Respondent No.1 is liable to perform the obligations arising from the Agreement of sale dated 14.09.2023 and shall be held accountable to that extent.

### **Point II**

48. To ascertain whether Respondent No.2 qualifies as a “real estate agent,” reference must be made to Section 2(zm) of the said Act, which defines the term as including any person who introduces or facilitates transactions involving the sale or purchase of units in a real estate project, for remuneration or commission, by whatever name called. For ready Ref:

*“real estate agent” means any person, who negotiates or acts on behalf of one person in a transaction of transfer of his plot, apartment or building, as the case may be, in a real estate project, by way of sale, with another person or transfer of plot, apartment or building, as the case may be, of any other person to him and receives remuneration or fees or any other charges for his services whether as commission or otherwise and includes a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of plot, apartment or building, as the case may be, and includes property dealers, brokers, middlemen by whatever name called”*

49. Based on submissions and admissions on record, Respondent No.2 is an “associate” of Respondent No.1, engaged in introducing potential purchasers and issued identification credentials by the said company. This clearly brings Respondent No.2 within the ambit of a “real estate agent” under Section 2(zm) of the Act.

50. Although Respondents Nos.1 and 2 have claimed that the role of the associate was limited to introducing clients and not collecting funds, Respondent No.2’s categorical denial of involvement in financial dealings is inconsistent with the records. The Complainant has submitted that receipts were issued by Respondent No.2, impersonating the identity of Respondent No.1. Respondent No.2 has neither



denied nor explained the issuance of such receipts, which points to clear mala fide intent.

51. If Respondent No.2 was not involved in any transaction, the issuance of such unauthorised receipts in the name of Respondent No.1 has no plausible justification and amounts to fraudulent conduct.

52. Therefore, in view of the above, Respondent No.2 qualifies as a real estate agent under the said Act and is required to be registered under Section 9(1). A perusal of the Authority's records reveals no such registration by Respondent No.2.

53. Furthermore, in violation of Section 10(a), Respondent No.2 has facilitated the sale of units in a project not registered at the time of transaction. It is noted that while the project "Aaditri's Empire" was registered on 30.04.2021, the impugned transactions were conducted in 2020 well before registration

54. Accordingly, this Authority holds that Respondent No.2 has violated Section 9(1) for failure to register as a real estate agent and Section 10(a) for promoting an unregistered project, rendering her liable to penalty under Section 62 of the said Act.

### ***Point III***

55. The Complainant has sought the registration and handover of two flats for which a cumulative amount of ₹1,23,54,980/- has been paid. Of this, ₹44,90,000/- was admittedly received by Respondent No.1, the remaining amount was paid to Respondents Nos.2 and 3..

56. As regards Flat No. 104-A, covered under the Agreement of sale dated 14.09.2023, Respondent No.1 has undertaken to hand over possession upon completion of construction. The Complainant has raised a concern that the said flat is presently mortgaged to a third-party institution, thereby impeding its immediate registration. However, a perusal of the Agreement of Sale dated 14.09.2023 clearly reveals that the Complainant was aware of the mortgage status of the said unit at the time of execution of the agreement. Notwithstanding such knowledge, the Complainant proceeded to enter into the said agreement with Respondent No.1. In this backdrop, the Authority finds no merit in the Complainant's assertion that the flat must be registered immediately, as the stipulated completion timeline under the sanctioned plan is until 19.03.2027, reckoned from the approval date of 19.03.2021. Therefore, the Complainant is not entitled to seek premature registration before the flat is released from encumbrance and the project reaches completion in accordance with law.

57. Nevertheless, this Authority directs Respondent No.1 to ensure that, upon the release of mortgage, the subject Flat No. 104-A shall be duly registered in favour of the Complainant. Further, Respondent No.1 is under an obligation to complete the construction and deliver possession of the said flat within the sanctioned project timeline.

58. With respect to the second flat, the Complainant has submitted certain bank statements indicating payment of substantial sums to Respondent No.3. While the fact of payment is not denied by Respondent No.3, there exists no contemporaneous document such as an agreement, receipt, or written undertaking that evidences a definitive nexus between the said payments and the purchase of a specific flat in the project being developed by Respondent No.1. Respondent No.3 has categorically stated that the said payments were made in the context of personal and friendly relations, and not in connection with any flat transaction. In the absence of any documentary proof establishing a legally enforceable link between the transaction and the project, this Authority finds no basis to issue any direction for registration or refund in respect of the second flat.

59. In the absence of cogent documentary evidence establishing a nexus between the payment, the project, and Respondent No.1, this Authority cannot grant any relief regarding the second flat.

60. It is further observed from the record that Respondent No.1 accepted substantial payments from the Complainant ₹9,10,000/- on 11.06.2020, ₹11,00,000/- and ₹19,00,000/- on 25.08.2020 well before the project was registered on 30.04.2021. This constitutes a violation of Section 3 of the said Act, which prohibits any marketing, booking, or receipt of advances prior to registration.

61. However, the Authority notes that this violation has already been adjudicated in Complaint No. CC 43/2024, where a penalty of ₹2,00,000/- was imposed on Respondent No.1, which has since been duly paid on 27.08.2024 (Transaction ID: BARBR5202408270078887). Therefore, no further penalty is warranted on this count.

62. Based on the above discussion, the Authority concludes that the Complainant is entitled to possession and registration of Flat No. 104-A in accordance with the Agreement of Sale dated 14.09.2023. However, no relief can be granted in respect of the second flat.

**J. Directions of the Authority:**

63. In exercise of powers conferred under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, and in light of the foregoing discussion, this Authority issues the following directions:

- i. The Respondent No.2 is directed to pay a penalty of Rs. 6,17,749/- for violating Sections 9(1) & 10(a) in accordance with Section 62 of the Act, 2016, payable within 30 (thirty) days from the date of this order. The said amount shall be remitted in favor of TG RERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036; and
- ii. Respondent No.1 is directed to complete the construction of the project "Aaditri's Empire," including Flat No. A-104, within the sanctioned timeline, and to register the said flat in favour of the Complainant upon release of the mortgage, in accordance with Section 17 of the RE(R&D) Act
- iii. Non-compliance of the afore-mentioned directions of the Authority shall attract penalty under Sections 63 of the RE(R&D) Act, 2016.

64. In light of the above, present complaint is disposed of. No order as to costs.

**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**