

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

SUO MOTU CASE NO. D6/361/2025

Date: 9th October 2025

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

M/s Arya Mitra Projects
Rep. by P. Venkata Srinivasulu
Power Welfare Society, Kokapet, Narsingi,
Hyderabad, Telangana- 500075.

...PROMOTER/RESPONDENT

Aryamitra Florina

...PROJECT NAME

ORDER

The present proceedings have been initiated *Suo motu* by the Telangana Real Estate Regulatory Authority (hereinafter referred to as "the Authority"), in exercise of powers conferred under Section 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "RE(R&D) Act, 2016"), based on the information furnished by Sri Aravind Brahmadevara through email dated 11.02.2025, including statement of Encumbrances on property, that the Promoter/Respondent was advertising, marketing, and selling flats in the Project "Aryamitra Florina", without registering the said project under the provisions of the RE(R&D) Act, 2016. The said project is located in Survey Nos. 131, 164, 165 & 168, Plot Nos. 1, 22 & 23 at Kokapet, Narsingi, Ranga Reddy District, Telangana.

2. A Show Cause Notice dated 08.04.2025 was issued to the said Respondent for violation of Sections 3 & 4 of the RE(R&D) Act, 2016, without registering the concerned projects before RERA, calling upon it to explain as to why action should not be initiated against it for violation of section 3(1) and 4(1) of the RE(R&D) Act, 2016, as per the provisions of the Act, Rules and Regulations made thereunder in force.

3. In response to the Show Cause Notice, the Respondent, M/s Aryamitra Projects, represented by its Managing Partner, Sri P. Venkata Sreenivasulu, submitted its reply dated 14.05.2025, stating that the building permission was sanctioned on 18.04.2016, that after getting the permission it had constructed 35 units in the building and sold away all flats prior to May 1st, 2017 and also submitted the Occupancy Certificate to the Authority, which had

been issued by the Office of the Gram Panchayat, Narsingi, Rajendranagar Mandal, Ranga Reddy District, dated 30.12.2017.

4. The Respondent submitted that the project was constructed on the land of 2,013.92 Sq.mtrs, which involved 35 residential flats in a single block, including a Cellar, Ground floor, and five Floors. The Respondent also submitted that the complainant himself purchased the flat in 2016.

5. The Respondent submitted that the project is not an ongoing project, and all flats were already sold, and that no new advertisements or sales have taken place recently. The Respondent also submitted that they have not conducted any new sale transactions in recent years, and the entries in the encumbrance certificate pertain to third-party transactions or mortgage deeds from the concerned Authority, which are not sale transactions.

Observations of the Authority:

6. This Authority notes that though the Respondent obtained approval for the project *Aryamitra Florina* on 18.04.2016, prior to the commencement of the RE(R&D) Act, 2016, but however the Occupancy Certificate was obtained by it only on 30.12.2017, i.e., after 01.05.2017., the date on which the RE(R&D) Act, 2016 came into force. Under Section 3(1) of the Act, any project which was ongoing as on the date of commencement of the RE(R&D) Act, 2016 and which had not obtained a Completion or Occupancy Certificate, was required to be registered under the provisions of the RE(R&D) Act, 2016. However, the definition of “ongoing project” under Rule 2(1)(j) of the Telangana Real Estate (Regulation and Development) Rules, 2017, as it stood at the relevant time, created ambiguity. The Rule described an ongoing project as one where building permission was received after the enactment of the RE(R&D) Act, 2016.

7. Therefore, the Respondent could reasonably interpret that, since permission for construction had been granted before the enactment of the RE(R&D) Act, 2016, registration was not mandatory. The Authority takes judicial notice of the fact that there was no contemporaneous circular or binding clarification explicitly mandating registration for such projects. It was only by Circular No. 607/2025/TGRERA dated 04.03.2025 and the amendment of Rule 2(1)(j) by G.O.Ms . No.60 dated 04.03.2025 that the scope of “ongoing projects” was

clarified beyond doubt. These later developments reinforced the legislative intent but cannot retrospectively alter the legal understanding that prevailed at the relevant time.

8. Therefore, the Respondent cannot be said to have acted in wilful disregard of the law. The omission to register the project must be seen in the light of the contemporaneous understanding of the Telangana States Rules, which permitted a bona fide belief that no registration was required.

9. Accordingly, this Authority is of the considered view that although the project *Aryamitra Florina* would, under the present clarified legal position, required registration, the Respondent cannot be held liable for non-registration at the relevant point of time. Hence, no penalty is imposed under Sections 59 and 60 of the RE(R&D) Act, 2016, against the Respondent.

10. However, the Respondent/Promoter and other Promoters are cautioned that, in the light of the amendment and clarifications as pointed out herein above stood issued, all projects without Occupancy Certificates as on 01.05.2017 are mandatorily required to be registered, and failure to comply with the same in future will attract strict action under the provisions of the RE(R&D) Act, 2016.

11. Accordingly, the Suo-motu case is closed.



Sd/-
Sri. K. Srinivasa Rao
Hon'ble Member
TG RERA

Sd/-
Sri. Laxminaryana Jannu
Hon'ble Member
TG RERA

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