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

SUO MOTU CASE NO. 3117/2025
Date: 10th November 2026

Quorum: **Sri Laxmi Narayana Jannu, Hon'ble Member**
Sri K. Srinivasa Rao, Hon'ble Member

M/s Our Dream Projects,
represented by its partner Neeli Srinivas,
H.No.3-408/40, Ist Floor, Road No.20,
Near Hightech City Khaman, Manchiryal District, 504208.

…PROMOTER/ RESPONDENT

ORDER

The present Suo Motu proceedings have been initiated by the Telangana Real Estate Regulatory Authority (hereinafter referred to as "the Authority"), in exercise of the powers conferred under Section 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the RE(R&D) Act, 2016"), pursuant to the petition dated 29.07.2025 filed by Sri Mohd Naheem Pasha against M/s Our Dream Project, represented by its Promoter/Developer, Sri Nelli Srinivas, in respect of the alleged contravention of Sections 3 and 4 of the RE(R&D) Act, 2016, concerning the real estate project titled "Sri Nilaya Homes", situated in Sy. Nos. 103/2, 103/3, 104/2, 104/3, 105/2 and 105/3, admeasuring Ac. 31.00 guntas, at Indaram Gram Panchayat, Jayapur Mandal, Mancherial District.

2. It is submitted that the complainant alleged that M/s Our Dream Project had been advertising, marketing and selling plots in the project "Sri Nilaya Homes" without obtaining registration from TG RERA. Along with the petition, the complainant submitted a brochure issued by the developer and a statement of encumbrance pertaining to the properties sold. The complainant further stated that, although the developer had obtained layout permissions from the concerned Gram Panchayat and the Director of Town and Country Planning, the project had not been registered with TG RERA, thereby allegedly violating the provisions of the RE(R&D) Act, 2016, and requested that appropriate action be initiated against the Promoter in accordance with law.

3. Based on the complaint, Show Cause Notice No. C/4041/2024 dated 27.11.2024 was issued to the Promoter. However, no reply was received pursuant to the said notice. Subsequently, another Show Cause Notice was issued vide Notice No. D6/3117/2025/TGRERA dated 20.09.2025.

4. In response to the subsequent Show Cause Notice, Sri Nelli Srinivas, Promoter/Developer of "Sri Nilaya Homes", submitted a reply dated 30.03.2026, stating that he had obtained approval from the Director of Town and Country Planning, Hyderabad, vide TLP No. 146/2022/M, in respect of Sy. Nos. 103/2, 103/3, 104/2, 104/3 and 105/2. The Promoter further submitted that certain plots had been mortgaged to the Gram Panchayat in accordance with the relevant proceedings and that the mortgaged plots were subsequently released upon completion of the development works. It was also submitted that an application for final layout approval had been made and that the same was under process.

5. The Promoter, in his reply, further admitted that he was unaware of the provisions of the RE(R&D) Act, 2016, acknowledged the violation of the Act and tendered an apology, assuring this Authority that such violations would not be repeated in future. Accordingly, hearings in the matter were conducted on 21.04.2026, 30.06.2026, and 19.08.2026, during which the Respondent reiterated the submissions already made, maintained his apology and assurance that such violations would not be repeated, and submitted that they have sold all their plots and are not advertising or marketing the project.

Observations of the Authority:

6. This Authority, upon examination of the material available on record, observes that the Respondent-Promoter, Sri Nelli Srinivas, has undertaken development and sale of plots in the project "Sri Nilaya Homes", situated in Sy. Nos. 103/2, 103/3, 104/2, 104/3, 105/2 and 105/3, admeasuring Ac. 31.00 guntas, at Indaram Gram Panchayat, Jayapur Mandal, Mancherial District, without establishing that the project had been duly registered with TG RERA. The material available on record indicates that the project was being marketed and plots were being sold, whereas the Respondent has not established that the mandatory registration under Section 3(1) of the RE(R&D) Act, 2016, had been obtained before undertaking such activities. The requirement of prior registration, wherever applicable, is mandatory and cannot be dispensed with merely on the ground that layout approval had been obtained from the competent planning authorities.

7. The Respondent has submitted that approval for the layout was obtained from the Director of Town and Country Planning, Hyderabad, vide TLP No. 146/2022/M, in respect of Sy. Nos. 103/2, 103/3, 104/2, 104/3 and 105/2. The Respondent has further stated that certain plots were mortgaged to Indaram Gram Panchayat and were subsequently released upon completion of the development works, and that an application for final layout approval was under process. However, the aforesaid submissions do not establish that the project had been

registered with TG RERA in accordance with the provisions of the RE(R&D) Act, 2016. The approval granted by the planning authority and the registration required under the Act operate under distinct statutory requirements. The Respondent cannot, therefore, rely upon the layout approval or the pendency of final layout approval as proof of compliance with the mandatory registration requirement under Section 3(1) of the RE(R&D) Act, 2016.

8. This Authority observes that the requirement of registration under the RE(R&D) Act, 2016 and the grant of layout permission by the competent planning authority are two distinct matters. The grant of layout permission does not, by itself, confer the status of a registered real estate project under the Act. A promoter undertaking activities involving advertisement, marketing, booking, sale, offering for sale or invitation to purchase plots in a real estate project is required to obtain registration before undertaking such activities, wherever registration is mandated under Section 3(1). In the present case, the Respondent has relied upon the planning approval and the application for final layout approval but has not established that the project "Sri Nilaya Homes" had obtained registration from TG RERA before the plots were marketed and sold. The Respondent's submissions, therefore, do not establish compliance with the statutory requirement forming the subject matter of the present proceedings.

9. This Authority further observes that the Respondent admitted that he was unaware of the provisions of the RE(R&D) Act, 2016, acknowledging the violation and tendering an apology. The said admission has been taken into consideration. However, the subsequent submission of an apology does not, by itself, absolve the Respondent of liability for a statutory contravention already committed. The Respondent was required to ascertain and comply with the applicable statutory requirements before undertaking activities relating to the sale of plots.

10. This Authority takes serious note of the Respondent's admission that he was unaware of the provisions of the RE(R&D) Act, 2016 and his acknowledgement that the project had been undertaken without complying with the applicable registration requirements. Ignorance of the law cannot be accepted as a justification for failure to comply with the statutory obligations imposed upon a promoter. The requirement of registration is intended to ensure transparency, accountability and protection of the interests of prospective allottees before they enter into transactions relating to a real estate project. Permitting a promoter to market and sell plots without obtaining the requisite registration and thereafter rely upon an apology or assurance of future compliance would defeat the object and purpose of the Act. The Respondent is, therefore, cautioned that compliance with the statutory requirements must be ensured before undertaking activities for which registration is mandatory.

11. In view of the foregoing observations, this Authority makes it clear that obtaining layout approval from the competent planning authority does not dispense with the requirement of registration under the RE(R&D) Act, 2016 and is liable for penalty under Section 59 of the RE(R&D) Act, 2016.

Directions of the Authority:

12. In light of the foregoing observations and findings, and in exercise of the powers conferred under Sections 35, 37 and 38 of the RE(R&D) Act, 2016, this Authority hereby issues the following directions:

a) For the contravention of Section 3(1) of the RE(R&D) Act, 2016, in respect of undertaking activities relating to the advertisement, marketing and sale of plots in the project "Sri Nilaya Homes", situated in Sy. Nos. 103/2, 103/3, 104/2, 104/3, 105/2 and 105/3, admeasuring Ac. 31.00 guntas, at Indaram Gram Panchayat, Jayapur Mandal, Mancherial District, without obtaining the mandatory registration from the Authority, a penalty of ₹5,37,768/- (Rupees Five Lakhs Thirty-Seven Thousand Seven Hundred and Sixty-Eight Only) is hereby imposed upon the Respondent, Sri Nelli Srinivas, Promoter/Developer of M/s Our Dream Project, under Section 59 of the RE(R&D) Act, 2016.

b) The Respondent is directed to remit the penalty amount imposed herein within a period of 30 days from the date of this Order in favour of the TG RERA FUND, through Demand Draft or by way of online payment to Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.

13. The Respondent is hereby informed that failure to comply with the directions issued herein shall attract further penal consequences under Section 63 of the RE(R&D) Act, 2016.

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

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