

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 502 of 2025

Dated: 31st January 2026

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

Katchala Nanaji, S/o Appalanaidu

Flat 401, Gamma Building, IIT Bhilai, Durg, Chattisgarh-491002

...Complainant

Versus

M/s Srinandhan Infra Developers Private Limited,

*Represented by its Managing Director, Mrs.T. Vijayalakshmi, w/o T. Ganesh,
Unit D, 4th Floor, Spaces & More Business Park Kavuri Hills, Phase-1,
Guttala Begumpet, Madhapur, Hyderabad, Telangana, India - 500033.*

...Respondent

The present matter filed by the Complainant herein came up for hearing before this Authority in the presence of the Complainant in person, and none appeared on behalf of the Respondents despite service of notice; hence, set ex parte and upon hearing the submissions of the Complainant, this Authority proceeds to pass the following **ORDER**:

2. The present Complaint has been filed by the Complainant 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. Facts of the Case

3. The Complainant submitted that in or around March, 2023, the Respondent, namely M/s. Srinandhan Infra Developers, acting through its agent Mrs. Sasirekha, approached the Complainant and induced him to invest in their newly launched DTCP-proposed project

located at Jadcherla, styled as “Royal Serenity”. The Respondent represented the said project as a DTCP-approved layout.

4. It is submitted that the Respondent presented brochures and advertisements and explained that, as part of a pre-launch offer, plots admeasuring 183 square yards were being sold for a consideration of Rs. 15,00,000/- under a full-payment option. Upon enquiry by the Complainant regarding statutory approvals, the Respondent assured that the DTCP approvals were under process and would be obtained within two months, after which development activities would commence. The Respondent further assured that till the site was ready, they would pay the Complainant monthly interest for a period of 12 months. Though the Respondent promised to register the land after receipt of full payment, despite repeated requests, no registration was carried out. Consequently, the Complainant sought a refund of the amount paid, which has not been processed till date.

5. The Complainant further submitted that the Respondent and its employees also projected the transaction as an investment opportunity, offering to register a 183 square yard DTCP-approved plot in the said project Royal Serenity for Rs. 15 lakhs, with an assurance to pay monthly interest at the rate of 5 percent for a period of one year, after which the Respondent would buy back the land and return the principal amount. An MoU was entered into between the parties in this regard. However, despite repeated requests, the Respondent neither registered the land nor paid any interest as promised.

6. It is submitted that it has now been nearly 48 months since execution of the MoU, and the Complainant has neither received the assured interest nor the return of his principal amount. The Complainant stated that he paid Rs. 15 lakhs from his personal savings and loans, and that he is in possession of payment receipts, post-dated cheques, and the MoU evidencing the transaction. Despite numerous follow-ups, the Respondent has failed to refund the amount.

7. The Complainant further submitted that after prolonged legal correspondence, he came to realize that the Respondent company has ceased its operations and is evading its customers, and that it does not possess the necessary approvals under the Real Estate (Regulation and Development) Act, 2016, to lawfully operate or undertake development activities. It is further alleged that even as on date, whenever the Complainant enquires about refund, the Managing Director of the Respondent company continues to give false assurances. For nearly 48 months, the Respondent has been giving the same explanation whenever refund is sought, and has now begun avoiding the calls and messages of the Complainant altogether.

8. The Complainant further submitted that due to his professional commitments, it has become increasingly difficult for him to travel from Chhattisgarh to Hyderabad every month to follow up with the Respondent regarding his investment. It is further stated that when the Complainant recently expressed urgency for refund of the amount, the Respondent started avoiding his calls. Additionally, the Respondent has relocated both its office premises and residence, making it even more difficult to contact or trace them.

B. Relief Sought

9. Accordingly, the Complainant sought the following reliefs:

- I. Direct the Respondent to refund the total sale consideration amount of Rs. 15,00,000 (Rupees Fifteen lakhs only) along with compound interest from the date of sale agreement as per norms
- II. Take stringent action on the company and the people as per the RERA norms for doing sales of projects without any approval
- III. Legal criminal action on the company M/s Srinandhan Infra Developers and the people involved

C. Observation of the Authority:

10. Before proceeding to adjudicate the merits of the matter, this Authority takes note of the fact that despite service of multiple notices and after being afforded sufficient opportunities, the Respondents have failed to appear or contest the proceedings. In view of their continued absence and non-participation, the Respondents were set ex parte on 12.11.2025, and the matter is accordingly being adjudicated on the basis of the pleadings, documents, and submissions placed on record by the Complainant.

11. At the threshold, prior to examining the reliefs sought, it is incumbent upon this Authority to determine the nature of the transaction between the parties and to assess whether the same falls within the ambit and jurisdiction of the Real Estate (Regulation and Development) Act, 2016

12. Upon a careful examination of the Memorandum of Understanding dated 17.04.2023, it is expressly recorded therein that the Complainant paid an amount of ₹15,00,000/- to the Respondent company as an investment, and in consideration thereof, the Respondent agreed to provide assured monthly returns for a fixed period, followed by a refund of the principal amount. The MOU further evidences the issuance of post-dated cheques and stipulates

repayment obligations, which demonstrates that the transaction was structured as a financial investment with assured returns.

13. The cumulative terms of the said Memorandum of Understanding including the promise of fixed monthly returns, the absence of any identified or earmarked unit, and the obligation to refund the principal amount clearly establish that the dominant intention of the parties was investment and not acquisition of immovable property.

14. For completeness, it is necessary to advert to the definition of “Allottee” under Section 2(d) of the Real Estate (Regulation and Development) Act, 2016, which reads as under::

"Allottee means, in relation to a real estate project, a person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes a person who subsequently acquires the said allotment through sale, transfer or otherwise, but does not include a person to whom such plot, apartment or building is given on rent."

15. In the present case, it is an admitted position that no plot, apartment, or building has been allotted or agreed to be allotted to the Complainant. There exists no Agreement of Sale, Allotment Letter, or any document evidencing transfer or proposed transfer of an identified real estate unit in favour of the Complainant.

16. Though the Memorandum of Understanding makes a passing reference to a proposed sale deed for an extent of 183 square yards in the project “Royal Serenity”, such reference is expressly stated to be by way of security for the investment. No documentary material has been produced to demonstrate that any sale deed was executed or registered. Even otherwise, the recitals do not evidence any intention to effect a transfer of ownership, but merely contemplate a collateral security arrangement, which cannot be construed as an allotment under the Act.

17. In light of the above, this Authority is constrained to hold that the Complainant does not satisfy the statutory definition of an “Allottee” under Section 2(d) of the RE(R&D) Act, 2016. The transaction in question is purely in the nature of an investment arrangement with assured returns, and not a real estate transaction involving sale or transfer of a unit.

18. The preamble of the RE(R&D) Act, 2016 unequivocally reflects that the legislative intent is to regulate the sale and transfer of real estate units and to adjudicate disputes arising therefrom, in order to protect homebuyers. Disputes arising out of investment agreements or assured return schemes do not fall within the adjudicatory jurisdiction of this Authority.

19. In exercise of its regulatory and supervisory powers, this Authority directs the TG RERA Secretary to conduct a detailed verification into the project styled as “Royal Serenity”, Jadcherla, including its registration status under the Real Estate (Regulation and Development) Act, 2016, the existence and validity of statutory approvals, and the activities undertaken by the Respondent in relation thereto, and to place a detailed report before this Authority, upon receipt of which this Authority shall consider initiation of appropriate action, strictly in accordance with law, if any violations are noticed.

20. Accordingly, this Authority holds that it lacks jurisdiction to entertain and adjudicate the present complaint, and the Complainant is at liberty to pursue appropriate remedies before the competent forum, in accordance with law.

21. However, considering the disclosures made in the course of the proceedings, this Authority, in exercise of its regulatory and supervisory powers, directs the Secretary, TG RERA, to conduct a detailed verification into the project styled as “Royal Serenity”, Jadcherla, of the promoter and to place the file before the Authority. Upon receipt thereof, this Authority shall consider initiation of appropriate action, if warranted, strictly in accordance with provisions of the RE(R&D) Act, 2016.

Sd/-

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

Sd/-

**Sri Laxminarayana Jannu,
Hon'ble Member,
TG RERA**

Sd/-

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