

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 1802 of 2023
Dated this 29th day of March 2025

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

M Madhu

*(H.06-86/40, Veeraswamy Nagar, Near Ganesh Manapam, Qutbullapur, Medchal – Malkajgiri
Hyd- 500055)* **...Complainant**

Versus

M/s Swayam Homes represented by Vantala Jangaiah Yadav

*(Resp by Managing director Sri V.Jangaiah Yadav, R/o Madhusudhan Apartments, flat no.103-
104, Street 5, Habsiguda – Hyderabad)*

...Respondent

This present Complaint came up for hearing on 13.11.2024 before us for hearing in the presence of Complainant appeared in person and Sri Thirupati for the Respondent and upon hearing 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 Complainant has filed complaint on hand 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 as per allegations/averments contained in the complaint are as follows:

3. The complainant submits that the Respondent has been selling plots in the project "Viceroy Elite" however RERA registered in the name of "Fortune Avenue" Venture Promoter being OM Prakash, in Kollur Mandal survey no. 1060, Tlp No. 123/2021/H.

4. The Complainant purchased a plot in the venture, plot no. 20/A , of 131 sq yards and paid the total sale consideration amount of Rs. 3,80,000/- towards the plot to the Respondent. However, no Agreement of Sale was executed for the said allotment, and only payment receipts were issued to the Complainant.

5. Despite the payment being made in full, the plot has not been registered in the complainant's name to date.

B. Relief(s) Sought:

7. The Complainant prays for an order directing the Respondent to refund the amount paid towards the purchase of the plot.

C. Respondent Reply:

8. The Respondent submitted that the Complainant has falsely contended that he has paid an amount of ₹3,34,000/-. However, contrary to such claim, the Complainant has produced only a single payment slip for ₹16,000/-. Furthermore, the Respondent has placed on record the receipt issued by him to the Complainant, which clearly shows that the total amount received was ₹2,39,000/- only, and that the balance amount payable by the Complainant stood at ₹5,82,000/-.

9. The Respondent further submitted that the subject plot was actually purchased by one Mr. M. Madhu in the layout known as *Viceroy Elite*, located at Kolluru Village, Aleru Mandal, Bhuvanagiri District. The Complainant has admittedly not made the complete payment. Hence, the Respondent questioned how the plot could have been registered in the Complainant's name without full consideration being paid.

10. The Respondent submitted that the documentary evidence filed by the Complainant does not establish any entitlement for registration of the property. The Complainant was shown the plot and its documents prior to the proposed sale, and at that time, the site was part of a RERA-registered project in the name of *Fortune Avenue*, with the registration being in the name of Mr. Medala Omprakash.

11. The Respondent further submitted that he had entered into an agreement with Mr. Medala Omprakash and others in respect of the said land, and a copy of the same has been annexed to the reply. It was also submitted that the Respondent refunded the entire amount received from the Complainant upon receiving the original receipts. The payment slip now

being relied upon by the Complainant is a fabricated document, and the Complainant has produced receipts only for ₹16,000/- while claiming a higher amount. The Respondent submitted that unless the Complainant produces the original receipts, his claim is unsubstantiated.

12. The Respondent submitted that the amount paid by the Complainant was only in the nature of a token advance, and since no Agreement for Sale was executed between the parties, the transaction was never formalized. All such payments were made on mutual terms, and the Respondent never had any intention to defraud or wrongfully withhold money. It was further submitted that the Respondent did not register any plots to anyone unless the project was duly registered under RERA, and all registrations were undertaken by the lawful owner, Mr. Omprakash.

13. The Respondent also submitted that the present complaint is an act of blackmail orchestrated by the Complainant in collusion with one Mr. Mula Satyanarayana, who is the instigator behind multiple such complaints. The said Mr. Satyanarayana had earlier worked with the Respondent but his services were subsequently terminated. Holding a grudge, he allegedly started operating an office under the name of *Satya Infra Developers*, and has been selling plots and collecting money in an unauthorized manner. He is said to be misusing his position to make false complaints against the Respondent, including one in the name of another individual, Mr. Anjaneyulu.

14. The Respondent stated that, should the Complainant be in possession of the original payment receipts, the Respondent is willing to make refunds upon due verification of the same. In the absence of such proof, the Respondent denies any liability.

15. In view of the above facts and circumstances, the Respondent submitted that there is no outstanding liability on his part, and that the claims made by the Complainant are baseless and motivated. Therefore, it is prayed that the Hon'ble Authority may be pleased to dismiss the complaint in the interest of justice.

E. Observations of the Authority:

Points for Consideration:

1. Whether the complainant is entitled to the relief sought?

2. Whether Respondents has violated the provisions of the Real Estate (Regulation & Development) Act, 2016 ("RE(R&D) Act")?

16. The Complainant in the present matter seeks a refund of the amount paid to Respondent No. 1 on the ground that, despite having received substantial consideration towards allotment of a plot, the Respondent failed to execute the registration in favour of the Complainant.

17. In support of the claim, the Complainant has placed on record documentary evidence showing payment of Rs. 16,000/- directly to Respondent No. 1. It is further submitted that a total sum of Rs. 3,80,000/- was paid, partly through direct payments to the Respondent and partly via a real estate agent. However, Respondent No. 1 has categorically denied having received any amount in excess of Rs. 16,000/-, contending that if additional amounts were paid to a third-party agent, the same were neither received nor acknowledged by the Respondent.

18. In order to facilitate effective adjudication, the Complainant was directed to produce corroborative evidence substantiating the payments allegedly made to the Respondent(s). In compliance, the Complainant submitted multiple receipts, alongside UPI and bank transaction records, evidencing payments to Respondent No. 1, as follows:

1. Receipt No. 043 dated 29.05.2023 – Rs. 20,000/-
2. Receipt No. 016 dated 09.01.2023 Rs.65,000/-
3. Receipt No. 8577 dated 28.07.2022 – Rs. 30,000/-
4. Receipt No 8315 dated 10.05.2023 - Rs.20,000/-
5. Receipt No. 049 dated 08.07.2023 – Rs.30,000/-
6. Receipt No. 1604 dated 19.02.2023 0 Rs.16,000/-
7. Receipt No. 7658 dated 03.02.2022 – Rs. 99,000/-
8. Receipt No. 7671 dated 05.02.2022 – Rs.1000/-
9. Receipt No. 9127 dated 01.11.2022 – Rs. 20,000/-

The cumulative amount evidenced through these transactions stands at **Rs. 3,01,000/-**.

19. It is a matter of concern that despite such a sequence of documented and periodic payments, the Respondent has chosen to adopt a dismissive stance, contending that only Rs. 16,000/- was received and shifting the entire burden of proof onto the Complainant. This conduct reflects an apparent disregard for the obligations owed to a prospective allottee and undermines the very objective of consumer protection envisioned under the RE(R&D) Act.

20. The explanation offered by the Respondent is found to be untenable in light of the documentary evidence placed on record. The argument that no obligation arose due to non-receipt of the entire consideration is rejected outright. The records before the Authority clearly establish receipt of at least Rs. 3,01,000/- by the Respondent, which is sufficient to indicate a commercial understanding between the parties and to trigger the obligation of executing the registration.

21. Although the Complainant claims to have paid Rs. 3,80,000/-, no reliable evidence has been adduced to show that the remaining Rs. 79,000/- was either received by the Respondent or paid under their authority. In the absence of conclusive proof in that regard, this Authority is constrained to limit the Respondent's liability to the extent of Rs. 3,01,000/- duly evidenced through documented receipts.

23. It is pertinent to note that despite receipt of a substantial amount, the Respondent failed to come forward and execute the registration of the plot in favour of the Complainant. This omission constitutes a breach of the obligations under Section 18(1) of the Real Estate (Regulation and Development) Act, 2016. As such, the Complainant is entitled to a refund of the said amount along with interest at the prescribed rate as per Rule 15 of TG RE(R&D) Rules.

24. In view of the foregoing, this Authority holds that the Respondent is liable to refund an amount of Rs. 3,01,000/- (Rupees Three Lakh One Thousand Only) to the Complainant, along with interest as mandated under Section 18(1) of the RE(R&D) Act.

25. The interest shall be calculated at the rate of 11% per annum (being the prevailing SBI's highest marginal cost of lending rate 09% plus 2%), from the respective dates of payment as evidenced in the receipts, until full and final realisation of the said amount by the Complainant.

Point 2:

26. It is an admitted fact before this Authority that the concerned project is RERA-registered under Registration No. P02000002810. However, upon perusal of the registration certificate, it is observed that the project is registered under the name "Fortune Avenue", with the promoter listed as Medala Omprakash. Conversely, Respondent No. 1 has been advertising and marketing the said project under the name "Viceroy Elite", which is not the registered name under RERA.

27. Such conduct of the respondent constitutes misrepresentation and is a direct contravention of the mandatory disclosure obligations under the RE(R&D) Act, 2016. The said Act is enacted to ensure transparency, accountability, and consumer protection in the real estate

sector. It mandates that all advertisements, promotional materials, and sale communications must correctly reflect the registered name of the project, so that homebuyers can independently verify registration status and approvals.

28. The submission of Respondent that he purchased the land from the registered promoter Medala Omprakash vide Agreement of Sale dated 04.08.2022 does not absolve him of statutory compliance. This Authority finds that while the said agreement may assign certain rights to the respondent, the details of such assignment are vague and unsubstantiated. No registered development agreement, no RERA transfer of promoter rights, and no proof of change in developer or joint development status have been submitted before this Authority. The RERA registration continues to be in the name of Medala Omprakash, and there is no public record or order indicating transfer of promoter responsibilities to Respondent No. 1.

29. As such, the use of the same RERA number while advertising under a different project name and a different promoter creates a false and misleading impression upon prospective purchasers constitutes a fraudulent and punishable misrepresentation.

30. This Authority finds that the lack of clarity in ownership, developer rights, and branding, as reflected in this case, is antithetical to the very objective of the RE(R&D) Act, which is to promote a transparent and trustworthy real estate market. In the instant case, the homebuyer is left in confusion regarding the true promoter, the correct project identity, and the validity of advertisements, defeating the legislative intent of full disclosure.

31. In fact, the same Respondent was already found guilty of similar conduct and penalized by this Authority in Complaint No. 1826 of 2023, for engaging in fraudulent advertisement and misrepresentation, and penalty was imposed under Section 37 read with Section 38 of the RE(R&D) Act. Therefore, this Authority does not propose to impose a fresh penalty for the same cause of action. However, continued non-compliance and recurrence of such misconduct will attract stricter penal consequences in future.

32. In view of the above, Respondent is hereby directed to cease and desist from using the name "Viceroy Elite" or any other unregistered name for this project, and ensure that all further advertisements, promotional material, communications, and sale offers reflect the registered name of the project "Fortune Avenue", along with the correct RERA registration number, in compliance with the provisions of the RE(R&D) Act, 2016.

Directions of the Authority:

33. 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 relief as

prayed by him, and the same is allowed in his favour, and the Respondent is hereby directed as follows:

1. Respondent to refund Rs. 3,01,000/- (Rupees Three lakh one thousand) to the complainant within 45 days from the date of this order, failing which the amount shall carry an interest at the rate of 11 % p.a., as per Section 18(1) of the RE(R&D) Act, 2016 read with Rule 15 of TG RE(R&D) Rules, 2017.
2. Respondent is directed to immediately cease advertising the project under a name different from its RERA-registered name and ensure compliance with provisions of the RE(R&D) Act to avoid misleading homebuyers.
3. The Secretary of TG RERA is directed to call for an explanation from the promoter of Fortune Avenue, Medala Omprakash, regarding how development rights were obtained by M/s Swayam Homes and how rights to advertise and sell the plots of the registered project under a different name were granted. This response is to be provided immediately.
34. Respondent is hereby informed that failure to comply with this order shall attract Section 63 of the RE(R&D) Act.

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