

TELANGANA REAL ESTATE APPELLATE TRIBUNAL: HYDERABAD

Krishna Block, First Floor, Dr. MCR HRDI Campus, Road No.25, MP & MLA's colony,
Jubilee Hills, Hyderabad-500 033.

CORAM: Hon'ble Sri Justice A. Santhosh Reddy, Chairperson.
Hon'ble Sri P. Pradeep Kumar Reddy, Judicial Member.

T.A.No. 93 of 2025

Between:

M/s Sunrise Infra Properties Pvt. Ltd.,
represented by its Managing Director
Pammi Anji Reddy, S/o P.Narayana Reddy,
Aged about 38 years, O/o F.No.538,
Ktishna Heights, 5th Floor, 100 feet road,
Ayyappa Society, Madhapur,
Hyderabad- 500081.

...Appellant/Promoter

AND

Chief Editor, M/s Four Sides Network
Broadcasting Pvt. Ltd., 2nd & 3rd Floor,
H.No.8-2-686/K/6, Gokul Kimtee Towers,
Road No.12, Banjara Hills,
Hyderabad – 500034.

...Respondent/Complainant

Counsel for Appellant : Mr.G.N.Satyanarayana

Respondent : *Ex parte*

Date of Decision : 10.06.2026

ORDER:: (Per Hon'ble Sri Justice A. Santhosh Reddy)

This appeal is preferred by the appellant/promoter against the Order, dated 16.09.2025, passed by the Telangana State Real Estate Regulatory Authority (hereinafter referred to as 'the Regulatory Authority'), in Suo Motu Case No. D6/827/2025, whereby the Regulatory Authority disposed of the said Case with the following directions:

“(a) The appellant/promoter is directed to pay a penalty of Rs.25,88,906/-, under Sections 59 and 60 of the Real Estate (Regulation and Development) Act, 2016, (for short 'the Act') for violation of Sections 3 and 4 of the Act, within 30 days, in favour of TGRERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.

(b) The appellant/promoter shall not advertise, market, book or sell or offer for sale, or invite persons to purchase in any manner any plot in the project Siri Vanam, until all requisite approvals are obtained from the competent planning authorities.

(c) The appellant/promoter shall complete the registration of the said project with the Regulatory Authority within 30 days from the date of obtaining necessary approvals and permissions.

(d) The Secretary, TG RERA, is directed to issue a public notice forthwith cautioning the general public against dealing with the Promoter or investing in the subject project. This public notice shall prominently include the relevant portions of this Order, especially the direction prohibiting any further transactions by the Promoter.

The appellant/promoter is hereby informed that failure to comply with the above directions shall attract further penal consequences under Section 63 of the Act”.

2. The learned Regulatory Authority has initiated the present case *suo-motu* based on the complaint received from the Chief Editor, Four Sides Network Private Limited (respondent herein), dated 26.03.2025, alleging that the appellant/promoter was engaged in advertising, marketing and selling of plots in the project “Siri Vanam” without obtaining requisite permissions and registration as mandated under the Act. On a consideration of the *prima facie* material, the Regulatory Authority issued a Show Cause notice, dated 15.04.2025, calling upon the appellant/promoter to explain as to why action should not be taken for facilitating the sale of plots in an unregistered project.

3. Appellant/promoter filed a reply, *inter alia*, contending that the that the land in question is agricultural in nature and that he has not

undertaken any act of marketing, advertisement, or sale of plots in the project titled "Siri Vanam." He further contended that in the absence of certification under Section 65B of the Indian Evidence Act, 1872, and Section 63B of the Bharatiya Sakshya Adhinyam, 2023, the electronic evidence submitted by the Complainant is inadmissible and, therefore, cannot be relied upon by the Regulatory Authority for initiating or sustaining any proceedings under the Act.

4. After hearing the learned Counsel for the appellant/promoter and perusing the entire material available on record, the learned Regulatory Authority, vide impugned order, dated 16.09.2025, disposed of the case with certain directions as stated supra.

5. Aggrieved by the aforesaid order of the learned Regulatory Authority, dated 16.09.2025, the appellant/promoter filed the present appeal.

6. Learned Counsel appearing for the appellant/promoter submitted that the complaint filed by the respondent/complainant is not maintainable as he does not qualify as an 'aggrieved person' under the provisions of the Act. The Act does not envisage the entertainment of complaints at the instance of a third-party stranger having no privity or involvement with the sale of agricultural land before the Tahsildar. He

further submitted that the land is an agriculture land and the sales took place before the Tahsildar, who issued passbooks to the purchasers, and as such the provisions of Section 2(zn) of the Act is not applicable. Further, the selling agricultural land in guntas to various purchasers through the Dharani or Bhu-Bharathi portal does not come under the Act, as there is no development and commercial activity in the said land. He further submitted that the learned Regulatory Authority, without marking the electronic evidence filed by the respondent/complainant as exhibits, has passed the impugned order by imposing a penalty of Rs.25,88,906/- on the appellant/promoter, which is excessive and exorbitant. In support of the said contentions, the learned Counsel for the appellant/promoter relied upon the decisions of the Hon'ble High Court of Bombay in *Dr.Yogesh Keshav Bele Vs. Maharashtra Real Estate Regulatory Authority and others*¹ and in *Mohammed Zain Khan Vs. Emnoy Properties India, A Limited Liability Partnership, incorporated under Limited Liability, Partnership Act, 2008, Mumbai and others*².

¹ CDJ 2023 BHC 1823

² CDJ 2024 BHC 582

7. Though notice served on the respondent/complainant, he did not choose to appear either in person or through any Counsel and as such he was set *ex parte*.

8. We have heard the learned Counsel appearing for the appellant and have gone through the entire material placed on record along with written arguments and case laws submitted by him.

9. The point that arises for consideration in this appeal is as under:

“Whether the impugned order, dated 16.09.2025, passed by the learned Regulatory Authority is sustainable in law?”

POINT::

10. The main contention of the learned Counsel for the appellant is that the subject land is an agriculture land and the sales of the said land were taking place before the Tahsildar, who issued passbooks to the purchasers, and as such the provisions of Section 2(zn) of the Act is not applicable and that there are no development and commercial activity in the said land.

11. A perusal of the marketing brochures of the project and the various sale deeds would disclose that the subject land was divided into 449 plots accompanied by development works.

12. For brevity and better understanding of the matter, it is apposite to extract Section 2 (zn) of the Act, which reads as under:

“Real estate project” means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartments, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenance belonging thereto;”

13. From a plain reading of the aforesaid provision, it is clear that the activities undertaken by the appellant squarely fall within the ambit of a real estate project. Further, it is evident from a perusal of the registered sale deeds and Encumbrance Certificates that multiple sale transactions were took place in the subject project ‘Siri Vanam’. Further, the judgments relied on by the learned Counsel for the appellant do not throw any light on the peculiar issue involved in the present case. On a conspectus of the very scheme of the Act, it is seen that the development of an immovable property by making material change in the immovable property and converting it into plots and selling the same to third parties,

will clearly bringing such a venture within the scope of RERA. Therefore, the contention of the learned Counsel for the appellant that the land was sold as agricultural plots and it does not fall within the domain of a real estate project is not tenable. Since the appellant has organized the sale of developed plots and participated in the execution of the layout, he shall be deemed to be a 'promoter' as defined under Section 2(zk)(ii) of the Act.

14. That apart, Section 3(1) of the Act mandates that no promoter shall advertise, market, book, sell or offer for sale any plot in a real estate project without registration. Section 3(2) of the Act reads as under:

“Notwithstanding anything contained in sub-section (1), no registration of the real estate project shall be required: -

- (a) Where the area of land proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases”

15. In the case on hand, with 449 plots, the project exceeds the threshold and as such it requires registration. Thus, the learned Regulatory Authority has rightly held that the appellant has violated the provisions of Sections 3 and 4 of the Act as he failed to register the real estate project.

16. On a cumulative consideration of the entire material available on record, we find no error or infirmity in the impugned order, dated 16.09.2025, passed by the learned Regulatory Authority and the same does not warrant any interference by this Tribunal.

17. In the upshot, the appeal fails and is dismissed and the impugned order, dated 16.09.2025, passed by the learned Regulatory Authority in *Suo Motu* Case No.D6/827/2025 is hereby upheld. There shall be no order as to costs.

Pending miscellaneous applications, if any, shall stand closed.

Registry is hereby directed to transmit a copy of this order to the parties and the learned Regulatory Authority as per section 44 (4) of the Act.

Sd/-

A. SANTHOSH REDDY, J
(CHAIRPERSON)

Sd/-

P. PRADEEP KUMAR REDDY
(JUDICIAL MEMBER)

10.06.2026
GSN