

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 201 of 2024

Dated: 31ST July 2025

Quorum: Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson

Sri K. Srinivasa Rao, Hon'ble Member

Sri Laxmi Narayana Jannu, Hon'ble Member

Boaska Anuragam
(R/o Qtr No Ch -9, Opp: Andhra Bank, A -Zone,
Ramakrishnapur(post), Mancherla District – 504 301)

...Complainant

Versus

1. M/s. BhuvanTeza Infra Projects Pvt. Ltd
(Rep by Chekka Venkata Subramanyam),
#201, 2nd Floor, Lumbini Amrutha Chambers,
Nagarjuna Circle, Road Number 3, Banjara Hills,
Hyderabad-500082.
2. Mr. Chekka Venkata Subramanyam,
Flat# C-110, Jayabheri Orange County, Road #2,
Financial District, Nanakramguda, Telangana - 500032.
3. Mrs. Chekka Bhagya Lakshmi
Flat# C-110, Jayabheri Orange County, Road #2,
Financial District, Nanakramguda, Telangana - 500032.
4. Mr. Jerripothula Phane Bhushana Rao,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave, Aswini Layout,
Prashasan Nagar, Jubilee Hills, Hyderabad, Telangana-500096.
5. M/s. Sri Laxmi Agro Farms and Projects,
(Formerly M/s Devas Infra Projects)
Rep by Sri N. Surya Narayana Reddy
Flat No. 5th floor, RJR Herbal Hospital, Opp Image Hospital,
near Ratnadeep, Ameerpet, Hyderabad

... Respondents

The present matters filed by the Complainant herein came up for hearing before this Authority in the presence of Complainant in person and none for the Respondents despite multiple opportunities given to appear before the bench, hence set ex-parte and upon hearing the submissions of the Complainant, this Authority proceeds to pass the following **ORDER**:

2. This Complaint has been filed under Section 31 of the Real Estate (Regulation and 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 action against the Respondents.

A. Brief Facts of the Case:

3. On 18th September, the complainant entered into an Agreement of Sale with the Respondents for the purchase of a flat in the project named “Happy Homes Phase-2.” Flat No.201, Block B, measuring 1860 sq ft, is located at Shamripet village & Mandal, Medchal Malkajgiri Dist, through their marketing firm Devas Infra Projects Pvt Ltd. As per the agreement of sale, the flat has to be handed over by December 2023.

4. It is submitted that despite the passage of several months, the construction activity did not commence at the site. On making inquiries, the Respondents stated that the project was cancelled due to government permission. It was later revealed that the ‘Happy Homes-2’ project had been indefinitely put on hold, without any formal intimation or communication to the allottees and furthermore, the Complainant was informed that their agreement had been shifted to a different project, and forced them to shift to ‘Happy Homes-1’, and the Respondent stated the Complainant need to pay an additional amount of Rs. 10,52,000/- for a new flat and the Respondent allotted Flat no. 307, Block -D with 2000 sq ft with increased sq ft price by Rs. 400/- and the Respondent never replied to the queries

5. The Complainant submits that the delay in possession caused her significant financial strain as she was paying both rent and EMI for the home loan.

6. Frequent delays have caused severe mental strain to the Complainant and her family. The Complainant submits that monies might be diverted to other projects. As per the Agreement of sale, the Respondent No.1 agreed to pay rent to the Complainant from January 2024 if they fail to deliver the flat, but they haven’t received the same. The complainant states they are worried about the limitation of the Agreement of sale.

7. The Complainant submits that the land may have been transferred to the other persons as a few victims paid money to the land lord of the Bhuvan Teja Happy Homes Phase-2 project, Mrs. Chekka Bhagyalaxmi W/o Chekka Venkata Subramanyam, and also Phani Bhushan Rao, a member of the Bhuvan Teja company board and the Complainant submits that there might be transfer of land as it was not registered in the name of allottees and the Complainant states they

have never disclose any development agreement and they have failed to take permission government authorities which raises questions about potential irregularities and only section of land is registered in the name of some owners who have paid full amount.

8. Despite paying the whole amount, the Respondents are still requesting more funds to register a portion of land, and the Respondent did not register it in the name of the Complainant

9. The Complainant submits that civil and criminal cases are pending on the land, and a few of the members have addressed the respondent to resolve a civil complaint that was filed at the CCS Hyderabad.

B. Relief Sought

10. In light of the aforementioned facts and circumstances, the Complainant humbly prays for the following reliefs:

I. Refund of the amount paid to the Respondent along with interest, if the Respondent failed to complete the project within the stipulated time.

II. Rectification of any defects in the constructions

C. IA filed by the Complainant:

11. During the course of the hearing, the Complainant filed an IA bearing no. 71 of 2024 before this authority requesting to implead the marketing firm M/s Devas Infra Rep by Sri. NSN Reddy, now known as Sri Laxmi Agro Farms and Projects, as proposed Respondent No.5 to the present Complaint, as he is the proper and necessary party to this complaint, on the ground that he had facilitated the transaction. Accordingly, notice was issued to the proposed Respondent No.5. However, despite service of notices, the proposed Respondent neither appeared nor filed any counter or affidavit. Upon due consideration of the material placed on record before this Authority, including the receipts of payments submitted by the Complainant before this authority, this Authority found that the presence of the said party was necessary for effective adjudication of the matter and accordingly allowed the application, impleading him as Respondent No.5. Consequently, vide Order dated 19.12.2024, the said Respondent was set ex parte and continues to be arrayed as Respondent No.5 in the present proceedings.

D. Points to be determined:

12. Based on the facts and circumstances placed before this Authority, the following questions arise for adjudication:

I. Whether the Respondents have violated provisions of the RE(R&D) Act, 2016?

II. Whether Complainant is liable for relief as prayed for? If yes, to what extent?

E. Observation of the Authority:

13. Before further adjudicating on the matter, this Authority takes due note of the repeated non-compliance by the Respondents, who have failed to appear before this Authority despite service of multiple notices and affording sufficient opportunities. In view of their continued absence, the Respondents are hereby set ex parte, and the matter is being adjudicated based on the pleadings, documents, and submissions placed on record by the Complainant.

Point-I

14. Upon careful perusal of the records and the submissions placed before this Authority, it is observed that the subject project titled '*Happy Homes (Shamirpet)*', being developed by the Respondent No.1, *M/s. Bhuvanteza Infra projects Private Limited* remains unregistered with this Authority. As per the Agreement of Sale dated 09.05.2022, executed between the Complainant and the Respondent No.1, the proposed project is situated in multiple survey numbers at Shamirpet Village & Mandal, with an extent of the land involved of approximately Ac. 10.20 guntas, i.e., around 42,000 square metres, hence the project exceeds the minimum threshold of 500 square metres as prescribed under Section 3(2)(a) of the RE(R&D) Act, 2016. Accordingly, the project falls within the ambit of mandatory registration under Section 3 of the RE(R&D) Act, 2016, and the Respondent-promoter's failure to comply with the same constitutes a clear violation, attracting liability under Section 59 of the RE(R&D) Act, 2016.

15. It is further observed that the records available with this authority in a prior matter, vide Complaint No. 286 of 2024, involving a different Complainant but the same project and Respondent-promoter, this Authority had already adjudicated on similar facts and imposed a penalty for violation of Section 3 RE(R&D) Act, 2016. Therefore, the issue of unregistered development by the Respondent-promoter in the present case stands on an identical footing, and has already been addressed through the said earlier order.

16. The Complainant have brought to the notice of this authority that a few transactions are facilitated by the Respondent No. 5; accordingly, the Complainant have submitted the proof of

the same before this authority, the act done by the Respondent No. 5 fits in the definition of a “real estate agent” under Section 2(zm). Despite being involved in facilitation and negotiation, Respondent No. 5 is not registered as an agent with this Authority under Section 9 of the RE(R&D) Act. It is evident that he has acted as a real estate agent in facilitating the transaction without registration. Such conduct is in violation of Section 9 and renders the Respondent liable for a penalty under Section 62 of the Act.

17. However, in the said Complaint No. 286 of 2024, the same Respondent No. 5 was found to have engaged in similar conduct in contravention of Section 9 of the RE(R&D) Act, 2016, thereby contravening its provisions and becoming liable under Section 62 of the RE(R&D) Act, 2016. It is relevant to note that the said Respondent No. 5 was already penalised accordingly. Thus, the facts of the present case are in parity with the earlier matter already adjudicated by this Authority.

18. This Authority further observes that the conduct of the Respondent-promoter reflects a pattern of persistent non-compliance with the statutory obligations mandated under the RE (R&D) Act, 2016. It is pertinent to mention that in a previous matter, i.e., Complaint No. 264 of 2024, the Authority had taken cognisance of similar violations and had declared Respondent No. 1 as a defaulter.”

The relevant extract from the said order is reproduced below for reference:

“35... Accordingly, Respondent No.1 is hereby declared to be a “defaulter” both in its capacity as a “promoter” and as an “agent” within the meaning of Sections 2(zk) and 2(zm) of the RE(R&D) Act, 2016. As a consequence, the Respondent shall be prohibited from undertaking, advertising, marketing, booking, selling, or registering any new real estate project or acting as a real estate agent within the jurisdiction of this Authority until such time as all existing dues, refunds, interest, penalties, and regulatory compliances are fully discharged to the satisfaction of this Authority”

19. Point I is answered accordingly.

Point No. II

20. Upon perusal of the material available on record, it is noted that the Complainant entered into an Agreement of Sale dated 18.09.2021 with Respondent No.1 for the purchase of a flat in the project titled *Happy Homes*, and Complainant paid the sale consideration of ₹43,48,000/- (Rupees Forty-Three Lakhs Forty-Eight Thousand only).

21. Moreover, as per the agreement of sale, it is mentioned that the project was modified with mutual consent of the parties, from “Happy Homes-II” to “Happy Homes,” effectively revising the date of agreement from 11.11.2021 to 23.03.2023

22. The Agreement of Sale specifically stipulates that possession of the subject flat was to be handed over within 36 months, with a grace period of 6 months, from the date of obtaining building permissions from HMDA and RERA.

23. However, the Respondent has neither obtained the requisite statutory approvals nor commenced any construction activity, thereby breaching the terms and conditions of the Agreement. Consequently, the completion of the said project has become impracticable, and the Complainants are seeking a refund of the amount paid along with applicable interest.

24. In the present case, the Respondent neither completed the project nor initiated the mandatory statutory processes required for lawful execution of the project. The continued failure to obtain approvals and commence construction clearly amounts to a violation of the provisions of the RE(R&D) Act, 2016.

25. In light of the above facts and circumstances, this Authority finds that the Complainant is entitled to relief under Section 18(1)(a) of the Real Estate (Regulation and Development) Act, 2016, which reads as follows:

“(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.”

26. Accordingly, the Complainant entitled for Refund of the amount paid by her to Respondent and also to interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, i.e., the State Bank of India's Marginal Cost of Lending Rate (MCLR) plus 2% per annum, calculated from the respective date of Agreement of sale until the date of actual refund.

27. In view of the above findings, this Authority is of the considered opinion that the Complainant is entitled to the relief sought, refund of the entire sale consideration along with interest.

28. Hence, Point II is answered in the affirmative, and the Complainant is held entitled to a refund along with applicable interest

F. Directions of the Authority:

29. 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 her, and the same is allowed in her favour, and the Respondents are hereby directed as follows:

a. Respondent No. 1 is hereby directed to refund the entire received amount of Rs. 43,48,000/- (Rupees Forty-Three Lakhs Forty-Eight Thousand only) from the Complainant as specified in Agreement of sale, along with interest at the rate of 11% per annum (Comprising SBI MCLR of 9% + 2%), calculated from the respective dates of each payment made, as evidenced in the receipts produced on record, until the date of full and final realisation of the said amount by the Complainant within forty five (45) days from the date of this Order.

b. Failing to comply with the above-said directions by Respondent No. 1 shall attract strict penal action in accordance with Section 63 of the RE(R&D) Act, 2016.

30. The complaint stands disposed off. No order as to costs.

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

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

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