

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 7th November, 2025

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

Complaint No. 340/2025/TG RERA

Mr. Kumaran Shyam Sundar,

(R/o H. No. 11-4-322/11, Flat No. 103, Seven Hills Enclave, Chilkalguda, Opp Wesley Church, Secunderabad - 500 061)

...Complainant

Versus

1. M/s. Krithika Infra Developers

2. Mr. D. Gopal, Director of M/s. Krithika Infra Developers

3. Mr. D. Srikanth, MD of M/s. Krithika Infra Developers

4. Mrs. Radha Bukya, MD of M/s. Krithika Infra Developers

5. Mr. D. Sashikanth, Executive Director of M/s. Krithika Infra Developers

(Office at 3rd & 4th Flr, Sri Padanjali Building, Beside Bahar Café, Opp. HP Petrol Pump, LB Nagar, Hyderabad, Telangana -500074)

...Respondents

The present matter filed by the Complainant came up for hearing on 07.08.2025 before this Authority, in the presence of the Complainant in person and no one appeared for the Respondents despite due service of notice. After hearing the submissions of the Complainant, the matter was set ex parte on 07.08.2025. This Authority now proceeds to pass the following

ORDER:

2. The present Complaint have 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 reliefs against the Respondents.

A. Brief Facts of the Case as per Form M submitted by the Complainant:

3. It was submitted that the Complainant, Mr. Kumaran Shyam Sunder, purchased a flat from the Respondent, M/s. Krithika Infra Developers, in their project located at survey no. 215, Boduppall village, Medchal-Malkajgiri District.

4. It was stated that the Complainant had opted for a flat in a pre-launch offer, admeasuring 2310 Sft. The Complainant submitted that he paid the full consideration of ₹61,21,500/-, with the total payment being completed by 31st March 2022. It was further stated that the Complainant subsequently received an Agreement of Sale on 1st August 2022.

5. The Complainant contended that the Respondent had verbally promised that the flat would be handed over by March 2024. However, it was alleged that as of the date of the complaint, there was "no progress at all" in the construction.

6. It was further submitted that on 28th November 2022, Mr. D. Srikanth (the MD of the Respondent company) and his father, Mr. D. Gopal, came to the Complainant's house and requested an investment in the Respondent company. It was stated that the Complainant, trusting them, invested an additional sum of ₹3,00,000/-, which was exclusive of the flat payment. The Complainant alleged that the Respondent's MD agreed to pay double this amount after 30 months and that an MOU was executed on stamp paper on the same date.

7. It was also submitted that while the Respondent obtained permission from the Boduppal Municipal Corporation on 23rd September 2023, this approval was only for the construction of (2 Cellar + 1 Stilt + 1 upper Floor). The Complainant alleged that this was contrary to the Respondent's representation that the approval was for 10 floors. It was contended that the Respondent had not received the necessary approvals for the full project, nor had they obtained RERA approval.

8. Finally, the Complainant alleged that when he pressed the Respondent for the registration of his undivided share (UDS) of the land, he was informed that the Respondent did not have the land in their possession to carry out the registration.

B. Relief(s) Sought

9. Accordingly, the Complainant sought the following reliefs:

- i. Instruct the Promoters to register the land me (UDS).*
- ii. Instruct the Promoters to get the RERA registration.*
- iii. Instruct the promoters to develop the development works at the earliest.*
- iv. If the above 1, 2 & 3 points are not possible then we would request the RERA Authorities to issue the orders in this matter to get the full refund for the above said amount with interest from the date of full payment as per the govt. norms.*

- v. *Till the time of refund process the M/s. Krithika Infra Developers should not do any activity of selling the land or cancelling of Development agreement to registered members.*
- vi. *Request the RERA Authorities to give the time lines for the above request as we are paying the interest through EMI's.*

C. Points for Consideration

10. The following issues arise for consideration by the Authority:

- I. Whether the Respondents have violated Sections 3 & 4 of the RE(R&D) Act, 2016 by not registering the project, Sheshadri's Silver Oak?
- II. Whether the Complainant is entitled to the relief sought? If so, to what extent?

D. Observations of the Authority

11. The record clearly indicates that despite due service of notice through registered post and substituted service, the Respondents have failed to appear before this Authority, nor have they filed any written response or made any representation to contest the allegations made by the Complainants. Such persistent non-appearance and failure to respond, despite repeated opportunities afforded, demonstrate a deliberate disregard for the proceedings of this Authority. Therefore, after being satisfied that due process was duly followed and all procedural requirements were complied with, this Authority was constrained to proceed ex parte against the Respondents by order dated 07.08.2025.

POINT I

12. The Agreement of Sale dated 01.08.2022 and supporting documents placed on record by the Complainant clearly establish that the Respondent No. 1, M/s. Krithika Infra Developers, had launched and marketed a project titled "Sheshadri's Silver Oak" proposed to be developed at Survey No. 215, Boduppall Village, Medchal-Malkajgiri District, Telangana. The land admeasuring approximately 13,658 square yards (about 11,418 square meters), as revealed through the documents and representations, was intended to host multiple residential apartments across several blocks. The Complainant was allotted a flat with a built-up area of 2310 Sq. Feet in the said project and executed an Agreement of Sale, for which substantial payments were made towards the total sale consideration.

13. It is evident from the above that the area of land involved in the proposed project far exceeds 500 square meters, and the number of apartments proposed clearly surpasses the threshold of eight units. Therefore, the project does not fall within the ambit of exemption prescribed under Section 3(2) of the Real Estate (Regulation and Development) Act, 2016, which limits exemption only to projects below 500 square meters or eight apartments, inclusive of all phases. Accordingly, the project Sheshadri's Silver Oak mandatorily required registration with the Telangana Real Estate Regulatory Authority prior to any form of advertisement, marketing, booking, or sale.

14. Further, under Section 4 of the RE(R&D) Act, 2016, every promoter is obligated to submit an application for registration of a real estate project, enclosing all requisite documents and disclosures as prescribed under the Telangana Real Estate (Regulation and Development) Rules, 2017. In the present case, there is no evidence on record to show that the Respondent no. 1 had ever applied for such registration. On the contrary, the material before this Authority clearly shows that the Respondent No. 1 has entered into Agreements of Sale with the Complainant, collected substantial sale consideration, and even undertaken to register undivided shares of land, all without obtaining prior registration. Such conduct amounts to a direct contravention of Sections 3 and 4 of the RE(R&D) Act, 2016.

15. The actions of Respondent No. 1, launching a "pre-launch offer," advertising, accepting bookings, executing sale agreements, and collecting payments without registration, constitute grave statutory violations. These actions defeat the very objective of the Real Estate (Regulation and Development) Act, 2016, which is to ensure transparency, accountability, and protection of consumer interests in the real estate sector. The said non-compliance with the mandatory registration provisions renders the entire transaction illegal and voidable at the instance of the allottees.

16. In light of the above discussion, this Authority holds that the Respondent no. 1 has clearly violated the provisions of Sections 3 and 4 of the Real Estate (Regulation and Development) Act, 2016. The Respondent no. 1 is, therefore, liable for penal action under Section 59 of the RE (R & D) Act, 2016 for having advertised, marketed, sold, and entered into agreements for the sale of flats in the unregistered project "Sheshadri's Silver Oak." This conduct not only undermines the statutory objectives of the RE(R&D) Act, 2016 but also causes serious prejudice to the rights and financial security of the allottees.

17. It is pertinent to mention that this Authority has already dealt with similar violations by the same Respondent in Complaint No. 115 of 2024, which related to this very project. A penalty of ₹9,96,050/- (Rupees Nine Lakhs Ninety-Six Thousand and Fifty Only) was imposed on the same Respondents for violation of Sections 3 and 4 of the RE(R&D) Act, 2016 for the same project. 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.

18. Further, this Authority, in its Order in Complaint No. 86 of 2025 dated 16.10.2025, has declared the Respondent No. 1/Promoter, M/s Krithika Infra Developers, as a “defaulter” for continuous and willful violations of the provisions of the Real Estate (Regulation and Development) Act, 2016. Accordingly, all developmental activities undertaken by the said Respondent no. 1 are to be terminated with immediate effect, and the Respondent No. 1/Promoter is restrained from carrying out any further advertisement, marketing, booking, sale, or offer for sale of any apartment or part thereof in the said project or any other projects in the future, in any manner whatsoever. The relevant portion of the above-mentioned order reads as follows:

Para 23. Further, the Respondent has consistently exhibited wilful contempt for the authority. Despite due service of notices, publication of public notice, and repeated opportunities, the Respondent has failed to appear, file replies, or offer any explanation. Such recalcitrant conduct demonstrates wilful disobedience, procedural evasion, and a premeditated intention to obstruct justice and subvert regulatory oversight. The Respondent's conduct strikes at the very root of the regulatory mechanism envisaged under the RE(R&D) Act, thereby undermining the faith of allottees and the integrity of the real estate sector.

Para 24. In light of the above, and considering the grave, continued, and wilful violations of statutory obligations, coupled with the mala fide intent to deceive and defraud the public at large, this Authority is constrained to hold that the Respondent has engaged in malpractice, unfair trade practice, and deliberate misrepresentation within the meaning and spirit of the Real Estate (Regulation and Development) Act, 2016.

Para 25. Accordingly, in exercise of the powers conferred under Sections 37 and 38 of RE(R&D) Act, 2016, and in the larger public interest, this Authority hereby declares Respondent No.1, M/s. Krithika Infra Developers, to be a “defaulter” and a habitual violator of the provisions of the RE(R&D) Act. Consequently, the Respondent, including its

directors, partners, and associated entities, is prohibited from undertaking, advertising, marketing, booking, selling, or registering any new real estate project within the jurisdiction of this Authority.

POINT II

19. Upon careful examination of the documents and submissions placed on record, this Authority observes that out of the total sale consideration of Rs. 61,21,500/- the Complainant has paid Rs. 61,21,500/- to the Respondents as per the Agreement of Sale dated 01.08.2022, towards the purchase of a residential flat in the project titled “Sheshadri’s Silver Oak” situated at Sy. No. 215, Boduppall Village, Medchal–Malkajgiri District. The payments were received by the Respondents in the following manner:

Sl.No.	Date	Mode of Payment	Amount	Details
1	15-02-2022	By Cheque	5,00,000	HDFC, Chq no: 000088
2	15-02-2022	By Cheque	15,00,000	HDFC, Chq no: 000100
3	13-03-2022	By Cheque	5,00,000	HDFC, Chq no: 000127
4	23-03-2022	By Cash	10,00,000	--NA--
5	26-03-2022	By Online	12,00,000	Ref no: RRR 852228347063
6	30-03-2022	By Online	9,50,000	Ref no: RRR0892228464543
7	30-03-2022	By Cash	3,21,500	--NA--
8	31-03-2022	By Cheque	1,50,000	UBI Chq no: 013566
		Total	61,21,500	

20. It is evident from the record that the construction activity on the project site has not commenced to date, and the Respondents have failed to secure the requisite approvals and permissions from the competent planning authorities.

21. Under Section 18(1) of the Real Estate (Regulation and Development) Act, 2016, a promoter is bound to return the amount received from an allottee, along with interest at the prescribed rate and compensation, in the event that the promoter fails to complete or is unable to give possession of the apartment, plot, or building as per the terms of the agreement for sale.

22. In the present case, the Respondents, having received the substantial sale consideration without initiating construction, have evidently failed to perform their statutory obligations as promoters. Consequently, the Complainant is entitled to a refund of the amount paid along with interest as stipulated under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, which prescribes that the rate of interest payable by the promoter to the allottee

shall be the State Bank of India's highest Marginal Cost of Lending Rate (MCLR) plus two percent.

23. Therefore, this Authority holds that the Complainant is entitled to a refund of the entire sum of ₹61,21,500/- paid towards the purchase of the flat, along with 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 highest MCLR + 2% per annum, calculated from the respective dates of payment made by the Complainant until the date of actual refund by the Respondents.

24. With respect to the additional amount of ₹3,00,000/- allegedly paid by the Complainant to the Respondents, this Authority notes that no documentary evidence such as a receipt, acknowledgment, or the alleged Memorandum of Understanding (MOU) dated 28.11.2022 has been placed on record to substantiate this claim. The Complainant has merely stated that the said amount was advanced as an investment in the Respondent's business, with an assurance by the Managing Director that the same would be repaid with returns after a specified period.

25. It is pertinent to observe that the Complainant himself has clarified that the said payment of ₹3,00,000/- was not made towards the purchase of a flat or any immovable property under the project "Sheshadri's Silver Oak," but as a financial investment in the Respondent company. Therefore, such a transaction does not create the legal relationship of promoter and allottee.

26. Since the said amount of ₹3,00,000/- was not paid in consideration for the allotment or sale of a flat, and no corresponding allotment has been made by the Respondents in respect thereof, the transaction does not fall within the ambit of the RE (R&D) Act.

27. Accordingly, the Complainant is at liberty to approach the appropriate forum for redressal of any grievance arising out of the said investment or for enforcement of the alleged MOU, in accordance with law.

E. Directions of the Authority

28. In accordance with the discussions made above, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondents:

- i. The Respondents are directed to refund the entire amount of Rs. 61,21,500/- along with interest at the rate of 10.75% per annum (SBI MCLR of 8.75% + 2%) calculated from

the respective dates of payment made by the Complainant until the date of actual refund by the Respondents, within 30 (thirty) days from the date of this order.

29. Failing to comply with the above-said direction by Respondents shall attract penal action in accordance with Section 63 of the RE(R&D) Act, 2016.

30. In view of the above, the present complaint is disposed of. 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

