

**BEFORE TELANGANA STATE REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]**

COMPLAINT NO.311 OF 2021

28th November 2023

**Corum: Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson
Sri LaxmiNarayanaJannu, Hon'ble Member
Sri K. SrinivasaRao, Hon'ble Member**

KoduruSuryanaryana

.... Complainant

Versus

Sri NallagopulaSadanandamGoud

.... Respondent

The present matter, bearing Complaint No. 311 of 2021, was heard before this Authority in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016, on 2nd August 2023, 4th October 2023, 19th October 2023 and 7th November 2023. The hearing was conducted in the presence of complainant present in person and Advocate K Gal Reddy on behalf of the Respondent.

2. Upon careful consideration of the arguments presented by both parties, this Authority hereby issues the following **ORDER:**

3. This order is issued to address the complaint filed before this authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "RE(R&D) Act"), in conjunction with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules").

4. The complainant contends that the Respondent, identified as the builder and developer of M/s Soumaya Engineering Technologies Pvt Ltd., obtained a hand

loan of Rs.12 lakhs on 15th April 2011 for business purposes. The Respondent committed to repay Rs.24 lakhs or provide an apartment in SamantanaAmruthaNilyam within two years. Subsequently, additional hand loans of Rs.2,50,000/- on 12th October 2011 and Rs.1,50,000/- on 8th August 2015 at 2% interest per month were taken for business purposes. The total outstanding amount, including interest, presently amounts to Rs. 89,38,000/-. The complaint prays this Authority to direct the Respondent either to register an apartment as promised or refund the entire amount with interest.

5. On 2nd August 2023, a hearing took place with the complainant present, but no representation from the Respondent. Consequently, the matter was postponed to 4th October 2023, with a fresh notice issued to the Respondent. On the latter date, both parties were present, and the Respondent requested time to file a reply.

6. On the 19th of October 2023, both parties were present and presented their arguments before this Authority. During this session, the complainant reiterated the contentions articulated in his original complaint. Conversely, the Respondent raised a fundamental query regarding the maintainability of the present matter before this bench.

7. The Respondent contended that there exists no agreement between the complainant and the respondent, as alleged by the complainant. Furthermore, the Respondent asserted that there is no relationship as defined under Section 2(c) (pertaining to agreements), Section 2(d) (pertaining to allottees), and Section 2(zk) (pertaining to promoters) of the Real Estate (Regulation and Development) Act, 2016 ("RE(R&D) Act"). The Respondent posited that the complainant approached this Hon'ble Authority with an intention to harass, taking undue advantage of purportedly invalid documents, thereby rendering the complaint liable to dismissal.

8. Moreover, the Respondent emphasized that the enclosures of the complaint explicitly state the absence of any contractual agreement between the parties pertaining to the purchase of any kind of flats or plots. Without

admission of the contents of the documents, the Respondent argued that any violation of the terms and conditions of the alleged agreement dated 15th April 2011 finds remedy elsewhere and not within the purview of this Authority.

9. The Respondent submitted that the alleged promissory note illustrates that the transaction in question in 2011 pertains solely to a hand loan and cannot be construed as a sale consideration. This stands in contrast to the complainant's assertion that he purchased the property and the respondent sold the property. Citing the terms and conditions of the agreement dated 15th April 2011, the Respondent asserted that the Ranga Reddy District Court holds jurisdiction to adjudicate disputes arising from the alleged documents. Consequently, the Respondent contended that this Hon'ble Authority lacks jurisdiction to entertain the complaint for the relief sought by the complainant.

10. It has been observed that this Authority, under the RE(R&D) Act, 2016, lacks jurisdiction to address the present dispute, which does not pertain to a Real Estate Project. The agreement dated 15.04.2011, as per its contents, pertains to a hand loan, and the Authority's jurisdiction is limited to inter se disputes between the promoter and allottee. The complainants, in such cases, should seek recourse with the competent authority.

11. Therefore, this Authority determines that the present Complainant does not qualify as an "aggrieved person" under the provisions of the 2016 Act. The Complainant fails to meet the designated categories outlined in the Act, encompassing allottee, association of allottees, or voluntary association. The Complainant, in this instance, has not provided evidentiary support or an authorization letter demonstrating qualification as an aggrieved person under Section 31 of the RERD Act. Section 31 is reproduced herein for reference:

31 (1) Any aggrieved person may file a complaint with the Authority or the adjudicating officer, as the case may be, for any violation or contravention of the provisions of this Act or the rules and regulations made thereunder against any promoter allottee or real estate agent, as the case may be.

Explanation. —For the purpose of this sub-section “person” shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.

12. In light of the above, this authority hereby dismisses the complaint filed on the grounds of lack of jurisdiction and refers the parties to pursue their claims through the appropriate forum. This dismissal is without prejudice to any rights of the parties.

13. If aggrieved by this Order, the parties may approach the TS Real Estate Appellate Tribunal (vide G.O Ms.no.8, dt 11.01.2018, the Telangana State Value Added Tax Appellate Tribunal has been designated as TS Real Estate Appellate Tribunal to manage the affairs under the Act till the regular Tribunal is established) within 60 days from the receipt of this Order.



TS RERA

Sd/-

**Sri K. SrinivasaRao, Hon'ble Member
TS RERA**

Sd/-

**Sri LaxmiNarayanaJannu, Hon'ble Member
TS RERA**

Sd/-

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