

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 2nd August, 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. 188/2024/TGRERA

1. VB City Flat Owners Co-operative Maintenance Society Ltd.

Rep by. its President

Sri. Bellum Uma Maheshwar Reddy

B-309, B-BlockV-8, Indis VB City Community,

Hyderabad-500 010.

...Complainant

Versus

1. VB City LLP

Rep. by Sri. Soma Jagan Mohan Reddy

Plot No: 69&70, Kavuri Hills, Madhapur,

Hyderabad-500 033.

2. Telangana State Southern Power Distribution Company Limited (TGSPDCL)

Rep. by Sri Rajender Katravath,

Secunderabad Divisional Office, Hyderabad

3. G. Anand Reddy

G-5, Manbhum Opus, Road No. 11,

Banjara Hills, Hyderabad - 500034

4. Smt. G. Sharada

W/o. Late Balwanth Reddy,

G-5, Manbhum Opus, Road No. 11,

Banjara Hills, Hyderabad – 500034

5. Smt. Aruna Reddy

W/o. G. Goverdhan Reddy,

R/o. 10-1- 673, West Maredpally,

Secunderabad-500 026.

6. Smt. G. Naveena Reddy,

W/o. E. Venkat Ramana Reddy,

R/o. Plot No. 28, Survey No. 135 and 136,

Prestige Royal Woods, Kismatpur,

Rangareddy, Telangana-500 030.

...Respondents

The present matter, filed by the Complainant as mentioned above, came up for hearing on 17.07.2025 before this Authority. The Respondent was represented by their Counsel, while the Complainant was absent. Upon hearing the submissions of all the parties, this Authority proceeds to pass the following **ORDER**:

2. The present Complaint has 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 relief(s) against the Respondent.

A. Brief facts of the Case

3. The present complaint was filed before this authority by Sri Bellum Uma Maheshwara Reddy, who is a resident of B-309, B-Block V-8, Indis VB City Community, Hyderabad. The complainant, in his capacity as the President of the VB City Flat Owners Co-operative Maintenance Society Ltd., raised concerns regarding the alleged illegal transfer of land designated as a park within their residential community.

4. The complainant submitted that the original landowners, identified as Mr. G. Anand Reddy, Smt. G. Sharada, Smt. G. Aruna Reddy, and Smt. G. Naveena Reddy, held a parcel of land measuring 11.36 acres situated in Turkapally Village, Alwal Mandal, Telangana. As part of the development plan, a specific portion of this land was earmarked for public utilities, which included a park for the community’s residents. Subsequently, these landowners contributed the said land to VB City LLP for the purpose of executing a real estate project.

5. Residents, including the complainant, proceeded to purchase flats within the VB City project. These purchases were made on the basis of representations and assurances that a park would be an integral part of the community’s amenities. The residents entered into Agreements for Sale and Sale Deeds with VB City LLP, through which they acquired their respective properties and a proportionate, undivided share in the common areas, which they understood to include the designated park space.

6. It was alleged by the Complainant that on or about August 5, 2020, the Respondents, without any prior notice, consultation, or consent from the residents, executed a Gift (Settlement) Deed. This deed effectively transferred a portion of the community land, encompassing the area

designated for the park, to the Telangana State Southern Power Distribution Company Limited (TGSPDCL). The purpose of this transfer was for the construction of an electrical substation. This action was contended to be in direct violation of the residents' contractual rights and the legitimate expectations established at the time of their purchase.

7. The Complainant stated that a significant point of contention was the issue of safety. The electrical substation was reportedly being constructed in close proximity to the residential buildings, with an alleged distance of merely 6 meters. This raised substantial health and safety concerns among the residents.

8. It was further submitted by the Complainant that in response to these developments, legal actions were initiated. A memo from TGSPDCL, dated July 6, 2024, confirmed their intention to utilize the park land for the construction of a 33/11 kV substation. Legal notices were dispatched to VB City LLP on behalf of the residents. However, it was submitted that the Respondents failed to adequately address the grievances raised by the residents.

9. The complainant further asserted that the actions of VB City LLP constituted a clear violation of the Real Estate (Regulation and Development) Act, 2016. The Act imposes an obligation on developers to provide and maintain the amenities that were promised to homebuyers. The unauthorized transfer of the park land was, therefore, presented as a breach of this statutory duty.

B. Reliefs Sought

10. In light of the aforementioned facts, the Complainant had prayed for the following reliefs before the Authority:

- i. A thorough investigation into the unauthorized transfer of park land and discrepancies in the land area as per the sale deeds.
- ii. Declare the Gift (Settlement) Deed null and void and restore the land for park use as originally intended for the community.
- iii. Relocation of the electrical substation to a safe distance from residential buildings to ensure the safety of the residents.
- iv. Mandate full disclosure of all documents related to the Gift Deed and the land transfer.
- v. Award the complainant costs related to filing this complaint.

- vi. Direct the establishment of the promised park with full amenities for residents without any further delay, rejecting monetary compensation in lieu of land.

C. Counter filed by the Respondents 1, 3, 4, 5, & 6.

11. The primary contention of the Respondents was that the complaint, as filed by the VB City Flat Owners' Cooperative Maintenance Society, was not maintainable either on facts or in law. They argued that the Authority lacked the requisite jurisdiction to adjudicate upon the reliefs sought, particularly the prayer for the cancellation of a gift deed. It was asserted that such matters, which pertained to title and property rights, fell within the exclusive domain of civil courts and could not be decided under the provisions of the Real Estate (Regulation and Development) Act, 2016.

12. The Respondents further acknowledged the execution of a Registered Gift Deed dated August 5, 2020. Through this instrument, a parcel of land measuring 613 square yards was transferred to the Telangana State Southern Power Distribution Company Limited (TGSPDCL) for the purpose of constructing an electrical substation. They maintained that this action was taken entirely in the public interest and for the specific benefit of the residents of the VB City project. This necessity arose from persistent and severe electrical supply issues in the area, a fact they claimed was corroborated by a letter from the Divisional Engineer, Secunderabad Division, dated July 27, 2020. The substation was deemed essential to ensure a consistent and stable power supply for the 1040 flats, the clubhouse, commercial spaces, and the sewage treatment plant within the community.

13. It was further argued that the gifted land formed only a portion of a larger common open area, or "tot-lot," and that a substantial balance area of approximately 5204.56 square yards remained available for the residents' use. The respondents denied the allegation that the gifted land was specifically or exclusively earmarked as a park. They also refuted the claim that the decision was made covertly, asserting that communications were sent to residents via the "MyGate" application and that there had been ongoing engagement with the residents' association on the matter.

14. The respondents emphasized that the gift was executed without any monetary consideration and was solely for the purpose of establishing critical infrastructure necessary for the proper functioning of the residential project. They denied that the substation posed any safety hazard or

that it was constructed within six meters of residential buildings, affirming that all activities were conducted in compliance with applicable legal and technical standards.

15. In parallel proceedings, a writ petition bearing WP No. 24470 of 2024 was filed in the Hon'ble High Court of Telangana by a flat owner, Mr. Sunil Gavaskar Bonu, challenging the construction of the substation on the grounds that it occupied an area designated as a park. The petitioner cited the Supreme Court's judgment in *Municipal Corporation of Greater Mumbai v. Hiranman Deorukhar* to argue that open spaces could not be diverted for other uses.

16. In response to the writ, TGSPDCL filed a counter-affidavit. They asserted that the substation was critical due to the overloading of the existing public feeder, known as the ARK Homes Feeder, which was nearing its maximum load capacity. They stated that the VB City project alone consumed 195 Amps of a total 200 Amp capacity, leading to frequent power disruptions. TGSPDCL also submitted that the gifted land had never been notified to them as a park and noted that the petitioner had purchased his flat in January 2023, long after the gift deed was executed in August 2020, and therefore could not challenge rights that had already been validly accrued.

17. The developer, VB City LLP, also submitted a counter-affidavit in the writ proceedings in the High Court. They reiterated the critical necessity of the substation to avoid blackouts and pointed out that the flat owners' association had already approached RERA with similar grievances and had failed to secure any interim relief. They characterized the writ petition as an indirect attempt by an individual to stall a project that was ultimately for the benefit of all residents.

E. Observations of the Authority

18. This Authority takes note that a writ petition W.P. No. 24470 of 2024, was filed before the Hon'ble High Court of Telangana by Mr. Sunil Gavaskar Bonu, who is also an allottee in the VB City project. The facts, the legal issues raised, and the reliefs sought in the said writ petition were substantially similar to those presented in the instant complaint. The Hon'ble High Court, after due consideration, issued a final order in the matter on 05.03 2025.

19. In its order, the Hon'ble High Court observed that the Gift Deed dated 05.08.2020 between VB City LLP and TGSPDCL transferring a parcel of land measuring 613 square yards within the VB City project for setting up of electrical substation, was validly executed and that no legal challenge to its validity was pending. The Court accepted the submission of the TGSPDCL that

the construction of the substation was critical for preventing disruptions in the power supply, noting that its absence would cause significant inconvenience to the residents of VB City and the surrounding areas. It was further noted that the possession of the land had been peacefully handed over to the electricity department without any objection at the time of the transfer.

20. The Hon'ble High Court further asserted that when public interest and private rights clash, the former must take precedence. In the present case, the Hon'ble High Court concluded that the construction of an electrical substation, which would benefit the project's allottees and the wider community, constituted a greater public interest than the construction of a park.

21. In light of these findings, the Hon'ble High Court vacated the interim stay issued on 11.09.2024 that had previously stalled the project and permitted the continuation of the substation's construction, holding the project to be lawful and in the residents' interest.

22. In view of the aforementioned order of the Hon'ble High Court, this Authority recognizes that the central issue underlying the present complaint has already been comprehensively adjudicated and settled by the High Court in WP 24470 of 2024. The definitive findings on the validity of the land transfer and the necessity of the substation directly address the substance of the reliefs sought by the Complainant herein.

23. Therefore, there are no reliefs remaining that require adjudication by this Authority.

24. Accordingly, the complaint is hereby dismissed. 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