

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

Dated: 14th October 2025

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

Complaint No. 75/2024

Matam Parmenshwar

(19-817/1, Reddy Colony, Miryalaguda, 508207, Distict Nalgonda Telangana)

...Complainant

Versus

M/s. Modi Realty

(Rep by its Sohan Modi, Door, 5-4-187/344, 2nd floor, Sohan Mansion, MG Road, Seundrabad, Telangana – 500003),

...Respondent

Complaint No.82/2024

P.Gurumurthy

(AVR Gulmpfar homes, villa no. 63, Beside D mart, Bapujinagar Miryaluguda- 508207)

...Complainant

Versus

M/s. Modi Realty

(Rep by its Sohan Modi, Door, 5-4-187/344, 2nd floor, Sohan Mansion, MG Road, Seundrabad, Telangana – 500003),

...Respondent

The present matter file by the Complainants herein came up for hearing before this Authority in presence of Complainants in person and Respondent Counsel Sri MA Lateef and; upon pursuing the material on record and on hearing arguments of the both the parties and having stood over for consideration till this day, the following order is passed:

ORDER

2. The present Complaints have been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the “RE(R&D) Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules,

2017 (hereinafter referred to as the “TG RE(R&D) Rules”) seeking appropriate relief(s) against the Respondents.

3. As the issues raised in both complaints are substantially similar and arise out of the same project and developer entity, the matters were clubbed and heard together for the purposes of adjudication. The Authority hereby passes the following **COMMON ORDER**:

A. The brief facts of the case, as stated by the Complainant, are as follows:

4. The Complainants are residents and possessors of villas situated in the project titled “AVR Gulmohar Homes”, which is duly registered with this Authority under RERA Registration No. P010800000180

5. The Complainants have raised multiple grievances pertaining to infrastructural deficiencies, incomplete works, and non-provision of agreed amenities in the said project. The primary issues highlighted include:

- a. The underground drainage system is reportedly constructed at a lower level than the road surface, causing stagnation of wastewater, which does not flow out naturally. Consequently, residents are compelled to remove the excess water manually with electric motors, resulting in leakage, foul odour, and occasional mechanical breakdowns.
- b. The internal drainage network is not yet connected to the municipal drainage system. Instead, it discharges untreated effluent into adjoining open land belonging to third parties.
- c. The public park/outdoor play area has not been developed or commenced as assured in the sanctioned layout.
- d. The Respondent has allegedly failed to provide an adequate water supply system through the installation of a suitable borewell and motor, causing scarcity.
- e. Contrary to the terms of the Agreement, a 20 KVA generator has been installed in place of the promised 1 KVA power backup for each of the 91 villas.
- f. The Respondent has failed to provide fencing along the community compound wall, as stipulated in the agreement.
- g. The approved layout and sanctioned plan have not been displayed within the project premises, despite being a statutory requirement.
- h. The compound wall has been constructed on vertical columns without properly closing the gaps between the wall and ground level, resulting in ingress of rainwater, rodents, and reptiles into the colony.
- i. The Respondent failed to leave adequate space for roadside plantation within the colony as per sanctioned layout norms.

- j. Despite the above deficiencies and incomplete amenities, the Respondent is collecting monthly maintenance charges at the rate of Rs. 1.50 per sq. ft., which the Complainants claim to be unjustified.

B. Relief(s) sought?

6. The Complainants have prayed for the following reliefs before this Authority:
1. To direct the Respondent to provide 1 KVA power backup for each of the 91 villas as promised.
 2. To direct the Respondent to connect the internal drainage network to the municipal drainage system.
 3. To direct the Respondent to close all gaps between the compound wall and the ground level to prevent flooding, entry of stormwater, rats, and snakes into the colony.
 4. To direct the Respondent to dig a suitable borewell and install a motor pump to ensure an adequate and sustainable water supply.
 5. To direct the Respondent to erect proper fencing along the external compound wall.

C. Reply of the Respondent 1:

7. The Respondent, while denying the allegations in toto except those specifically admitted herein, submits that the present complaint is not maintainable either on facts or in law. It is contended that the allegations are false, frivolous, and vexatious, filed with an intention to harass the Respondent and derive unlawful benefit. Hence, the complaint deserves to be dismissed with exemplary costs.

8. The Respondent states that it is a reputed developer with over 30 years of experience in the field of construction and real estate development in and around Hyderabad and Secunderabad, and has successfully completed numerous projects.

9. The point-wise reply to the allegations is as follows:

a. Underground Drainage System:

The allegations of leakage and foul odour are baseless. The sewage is being properly treated as per Pollution Control Board (PCB) norms, and no such issues as alleged exist.

b. Connection to Municipal Drainage:

The connection of the internal drainage to the municipal line has been delayed due to objections raised by local bodies. The issue was formally brought to the notice of the Commissioner, Miryalguda Municipality, through a representation. It is the responsibility of DTCP/local authorities to provide the final drainage linkage.

c. Public Park:

The designated park area falls under the buffer zone and therefore cannot be developed as a regular park. The area has been left as a green zone, as per planning norms

d. Water Supply:

Adequate water facilities have been provided through four functional borewells.

e. Generator Backup:

The project design provides for a total generator capacity of 99 KVA (91 villas $\times$ 1 KVA + 8 KVA for common areas). Considering the diversity factor of 40–50%, the current demand is 20 KVA since only 40 villas are occupied. A 20 KVA generator has been installed, which meets the present load. The generator will be upgraded to 62.5 KVA or higher as occupancy increases.

f. Fencing:

There was no contractual obligation to provide fencing. However, based on residents' requests, fencing has been provided on three sides, while the main road entrance is manned by 24 $\times$ 7 security.

g. Display of Sanctioned Plan:

The sanctioned layout plan has been displayed on the notice board at the Association office.

h. Compound Wall Gaps:

The allegation is incorrect. All identified gaps have been properly closed.

i. Tree Plantation:

All tree plantations have been carried out in accordance with DTCP norms

j. Collection of Maintenance Charges:

The Respondent clarifies that maintenance charges are being collected by the Association, not by the developer. The Association is a registered society under the Telangana Societies Registration Act, 2001 (Reg. No. 496/2021). The Respondent has no role in the collection of such charges. The accounts are published on the official website.

It is therefore submitted that the complaint has been filed with mala fide intent, bereft of any valid cause, and deserves to be dismissed with exemplary costs.

D. Reply filed by the Respondent 2:

10. Upon direction of this Authority, and pursuant to the order in I.A. No.13, the AVR Gulmohar Welfare Association was impleaded as Respondent No.2, being a necessary party for adjudication, as the reliefs sought pertain to common facilities under the purview of the Association.

11. The Association, while denying the allegations, submits its point-wise reply as follows:

- a. In Reply to Point No.1: Underground drainage system - The issue raised by the complainant is one faced by the owners but presently there is no smell or any breakdown of motor. Upon the concern of the owners with regard to smell and water we have tested the water which shows fine as per PCB norms.
- b. In reply to Point No.2: Internal drainage connection to main drain local bodies is objecting to the said connection. We The Respondent Association are in regular discussion with the respondent No.1/developer to resolve the issue and it has been informed to us that the above issue was brought to the notice by them to the Commissioner Miryalguda Municipality by way of representation letter dated 25.04.2024. It has also been informed to us that it is the responsibility of DTCP/local authorities to provide drainage link. We are also following up with the local authorities as well to the developer to resolve it at the earliest. 3) In reply to point No.3: Public Park play area not yet commenced After due verification and after discussion with the Respondent No.1/developer it has come to our notice that the Public park area is a coming under buffer zone. It cannot be developed.

- c. In reply to point No.4: Failed to provide sufficient water/ borewell It is not true. The Respondent No.1/developer have provided 4 bore wells in the project. The residents and association have no objection and till date we have not faced any water issues.
- d. In reply to point No.5: Providing 1KVA Generator back up for each villa We have also brought this to the notice of the Respondent No.1/developer. The Respondent No.1/developer suggested us that till date only 38 villas were sold and occupied, as and when power requirement increases the generator will definitely be upgraded. As on this date the existing generator provided by the Respondent No.1/developer is working without any overload. Presently we have no objection on this count.
- e. In reply to point No.6: Fencing not provided - It is not true. The Respondent No.1/developer has never made any commitment to provide fencing. However, at request and some residents and the Association, fencing has been provided on 3 sides. Main road gate area is monitoring by the security. We have no objection on this count. 7) In reply to point No.7: Not displayed Sanctioned plan - It is not true. The sanction approved plan is displayed on the display board at the office of the Association/Respondent No.4.
- f. 8) In reply to point No.8: Compound wall gaps - Upon the request and complaints of the residents the Respondent No.1/developer has undertaken the work to close the gaps between the ground level and compound wall but due to heavy rains and agriculture land of the neighbours it was collapsed.
- g. 9) In reply to point No.9: Not left sufficient places to Plant the trees It is not true, we have verified that all trees are planted as per the norms. 11
- h. 10) In reply to point No.10: Without providing the amenities, developer is collecting the maintenance It is not true. The Respondent No.1/developer has provided all the amenities in the project as assured and after due inspection and satisfaction by the concerned officers of the department the Occupancy Certificate was issued. Whereas collection of monthly maintenance charges. It is collecting in the name of separately formed Association/Society registered under the Telangana Societies Registration Act 2001., Vide reg No.496 of 2021 in the name of Respondent No.4 herein. All accounts are publishing on the website i.e, www.modi properties.com for the easy access of all villa owners and upon the request of the villa owners we also provide the hard copy of the account statements.

- i. The 5 points which were mentioned in the complaint seeking and praying for the relief by the complainant are already addressed in the above paras. Therefore we humbly request your Hon'ble Tribunal to decide the matter on merits and pass such other order or order's as this Tribunal deems fit and proper in the circumstances of the case and in the interest of justice.

E. Proceedings before the Authority

12. During the course of proceedings, the Authority noted that though the Association (Respondent No.2) had been impleaded, the Complainants filed a Memo dated 17.04.2025, raising serious concerns about the formation and constitution of the said Association.

13. It was brought to notice that the Association committee comprises primarily of the promoter and its employees, and no resident members have been inducted. Furthermore, Initially the Association was represented by the same counsel as the promoter, confirming its lack of independence. The Respondents admitted that residents have not yet been included as members of the Association.

14. Considering the submissions, the Authority deemed it appropriate not to rely solely on the Respondents' statements and accordingly directed an independent inspection through the Technical Engineer of the Authority, to verify the issues raised by the Complainants.

F. Inspection Findings:

15. The inspection revealed the following observations:

- a. Underground Drainage & Internal System: Sewage is routed through an inlet chamber constructed near the clubhouse and is being pumped continuously into the septic tank, instead of gravity flow, due to level mismatch, resulting in backflow and overflow. Continuous pumping leads to high operational costs, and during motor breakdowns, sewage overflows into the colony, causing foul odour and inconvenience.
- b. External Connectivity: The sewage is being released into open fields instead of being connected to the Gayatri Nagar municipal drain, which is approximately 500 meters away.
- c. Recommended Mitigation: The outlet pipe must be re-laid with appropriate gradient to ensure gravity flow and connection to the municipal drain to prevent continuous pumping

and recurring expenditure. Shared sewer connections between villas cause backflow issues and must be individually separated to prevent cross-contamination and overflow.

- d. Water Supply: Four borewells exist and are functional, but timely motor repairs must be ensured. The common underground sump (two 5,000-litre Sintex tanks) has been placed on the 40-ft road near Villa No.15, encroaching on road space, without proper cover or protection. No municipal inlet connection is provided to the sump. The water infrastructure remains incomplete.
- e. Power Backup: Present capacity of 20 KVA is insufficient. Upgradation to 99 KVA as per agreement is pending and must be addressed.
- f. Fencing: MS grill fencing is provided on three sides. Front-side fencing remains incomplete.
- g. Compound Wall:

Gaps were found below the tie beams along the east side (Villa Nos. 62–66) due to soil settlement, allowing stormwater and pests to enter.

Recommendation: construct an edge protection wall to seal the gaps and prevent flooding, rats, and snakes.

- h. Storm Water Drainage: 750 mm RCC hume pipes have been laid, but perforated catch pit covers are recommended to allow surface runoff disposal.
- i. Water Seepage in Villas: Villas No. 34 and 47 show dampness, plaster damage, and bubbling of paint due to the absence of proper damp-proof course (DPC). The Respondent shall engage waterproofing experts and rectify the defects immediately.
- j. Park Development: The designated park area is overgrown and lacks maintenance. No play equipment or walkway is provided. Only one Tot Lot near the amenities block has been developed as per approved plan.

G. Observations of the Authority:

16. After carefully considering the submissions of the Complainants, the Respondent No.1 (M/s. Modi Realty, the Promoter), and the Respondent No.2 (AVR Gulmohar Welfare Association), along with the material placed on record—including pleadings, documents, photographs, and counter-affidavits filed by the parties—the Authority has also relied upon the

detailed inspection report prepared by the Technical Engineer of this Authority. The inspection was conducted to independently verify the issues raised by the Complainants concerning the project “AVR Gulmohar Homes” (RERA Registration No. P010800000180), particularly focusing on the amenities, infrastructure, and structural aspects as alleged.

17. The Authority notes that the Complainants, who are bona fide allottees and occupants of villas in the project, have raised genuine concerns pertaining to incomplete or defective works in the common areas and facilities, which directly impact their right to enjoy possession of the property in a completed and habitable project as envisaged under the Real Estate (Regulation and Development) Act, 2016.

18. The Respondent No.1, as the Promoter, is statutorily obligated under Sections 11 and 14 of the RE(R&D) Act, 2016 to complete the project in accordance with the sanctioned plans, specifications, and agreements, including the provision of all promised amenities and the rectification of structural defects, if any.

19. Ordinarily, this Authority does not adjudicate matters relating to common facilities or amenities when individual allottees, acting in their personal capacity, bring complaints before it, since such issues are typically to be addressed through the Association of Allottees as a collective body. However, in the present case, given the status of the project and the fact that the registered Association is not constituted of actual allottees but rather comprises representatives of the Promoter, the Authority cannot remain a passive observer. The very essence of the RE(R&D) Act is to protect the interests of allottees and ensure that they receive what has been contractually and statutorily assured to them. Accordingly, the Authority deems it appropriate and necessary to adjudicate the present matter in relation to the entire project.

20. In this context, it is relevant to refer to Section 14(3) of the RE(R&D) Act, which imposes an unambiguous duty on the promoter to rectify structural defects or deficiencies in workmanship, quality, or services brought to their notice within five years from the date of handing over possession. It reads as follows:

In case any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale relating to such development is brought to the notice of the

promoter within a period of five years by the allottee from the date of handing over possession, it shall be the duty of the promoter to rectify such defects without further charge, within thirty days, and in the event of promoter's failure to rectify such defects within such time, the aggrieved allottees shall be entitled to receive appropriate compensation in the manner as provided under this Act.

21. The inspection report corroborates several key allegations made by the Complainants, revealing the existence of structural defects and incomplete works that fall squarely within the ambit of Section 14(3). These defects are not merely cosmetic; they materially affect the safety, habitability, and functionality of the project, thereby warranting immediate rectification by the Promoter. The Authority's findings are confined strictly to the reliefs sought by the Complainants and do not extend to any issue beyond the pleadings and prayers. The observations below are structured point-wise for clarity, drawing from the inspection report and submissions while evaluating the replies of both Respondents.

- a. *Provision of Backup Power Supply (1 KVA per Villa for 91 Villas, Totaling 99 KVA):* The Complainants have alleged and the inspection report confirms that the existing backup power supply is limited to a 20 KVA generator, which is grossly insufficient for the project's total requirement. The report notes that the upgradation to the agreed capacity of 91 KVA (1 KVA per villa and approximately 8 KVA for common areas) remains unfulfilled. The Respondents contend that the current installation suffices for the present occupancy of 38–40 villas, citing a diversity factor of 40–50%. However, this reasoning cannot absolve the Promoter of its contractual and statutory duty to provide the promised infrastructure as per agreements. A promoter cannot condition the provision of essential services on partial occupancy; the obligation exists for the project as a whole. Accordingly, the Authority holds that Respondent No. 1 (Promoter) is obligated to ensure the installation and operational readiness of a backup power system of not less than the capacity as assured for the entire project, thereby meeting the requirement of 1 KVA per villa and adequate provision for common areas. The said work shall be completed and compliance reported within a stipulated period to the Authority.
- b. *Connection of Internal Drainage System to the Municipal Drainage Line:* The inspection report reveals significant deficiencies in the execution of the internal sewage and drainage

network. The pipelines have been laid without maintaining the requisite gradient, resulting in a mismatch of invert levels. Consequently, there is no proper gravity flow, leading to stagnation and backflow of sewage towards the rear side of certain villas. This condition has caused considerable inconvenience to residents, accompanied by foul odour and unhygienic conditions, thereby posing a potential health hazard.

In view of these findings, the Authority directs Respondent No. 1 to immediately rectify the defective drainage network by relaying the fresh pipes with proper gradient and alignment to ensure seamless gravity flow. The Respondent shall also provide a separate holding tank of sufficient capacity commensurate with the total number of villas, to ensure effective collection and disposal of sewage.

- c. *Closing Gaps Between External Compound Wall and Ground Level to Prevent Flooding, Entry of Rats, and Snakes:* The inspection report observes that the compound wall, constructed with RCC columns, ground-level tie beams, and infill brick walls, has developed gaps below the tie beam on the east side (from Villa Nos. 62 to 66) due to soil settlement. These gaps allow stormwater from the sloping catchment area to flood into the colony during rains, in addition to enabling the entry of rats and snakes, as reported by residents. Although an underground stormwater drain (750 mm dia RCC hume pipe) has been provided along the internal road from Villas 62 to 55, the gaps exacerbate waterlogging. The Respondents' reply that all gaps have been closed is factually contradicted by the inspection findings. The report suggests constructing an edge protection wall below the tie beam at the affected length and providing perforated covers to stormwater drain catch pits for efficient runoff disposal. This defect directly impacts safety and habitability, falling under Section 14(3) of the RE(R&D) Act, and must be addressed by the Promoter.
- d. *Provision of Suitable Borewell and Motor Pump to Meet Water Needs:* The Complainants sought directions for digging a suitable borewell and fixing a motor pump. The inspection report notes that four borewells with submersible pumps have already been provided and are currently functioning, with residents acknowledging no immediate water shortages. The Respondents' reply confirms the provision of four borewells without objections from residents.
- e. *Provision of Fencing Along the External Compound Wall:* The relief sought is for fencing the external compound wall as per the agreement. The inspection report confirms that MS grill

fencing has been provided on three sides of the colony layout, but the front side (main road gate area) remains unfenced. The Respondents' reply admits no original commitment but states that fencing was provided on three sides at residents' request, with the main gate monitored by 24/7 security. On verifying agreement of sale, Indeed there is no assurance of fencing, as the fencing has already been provided atleast for three fencing, the relief requested is untenable.

22. Additionally, with regard to the formation and functioning of the AVR Gulmohar Welfare Association (Respondent No. 2), the Authority takes note of the Complainants' memo dated 17.04.2025, wherein it has been alleged that the said association presently comprises only the Promoter and its employees, with no representation of the actual allottees or residents, and that it was represented before this Authority by the Promoter's counsel during the course of hearings.

23. Such composition and representation are inconsistent with the spirit and intent of Section 11(4)(e) of the Real Estate (Regulation and Development) Act, 2016, which mandates the Promoter to facilitate the formation of a genuine and independent association of allottees.

24. Accordingly, Respondent No. 1 (Promoter) is hereby directed to take immediate steps to enable the formation of a duly constituted and independent association of allottees villas owners, by convening a General Body Meeting and conducting elections in a fair, transparent, and lawful manner, ensuring participation of all eligible allottees. The association shall not consist of or be controlled by the Promoter's officers or employees, but shall reflect the collective representation of the residents in accordance with applicable legal provisions.

H. Directions

25. In light of the foregoing observations, which stand substantiated by the inspection report and correspond with the reliefs sought, the Authority, in exercise of its powers under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, hereby issues the following directions in the interest of justice and to ensure that the project is completed in all respects as obligated under the RE(R&D) Act:

1. Respondent No. 1 (Promoter) shall install and operationalize a backup power system of not less than the capacity as assured for the entire project, ensuring adequate supply of 1

KVA per villa and sufficient capacity for all common areas. The said upgradation shall be completed within 90 days from the date of this Order.

2. Respondent No. 1 (Promoter) to undertake immediate rectification of the defective drainage network by relaying the fresh pipes with proper gradient and alignment to ensure effective gravity flow. Further, the Respondent shall provide a separate sewage holding tank of adequate capacity commensurate with the total number of villas, ensuring proper collection and disposal of sewage.
 3. The Respondent No. 1 shall close the gaps in the external compound wall by constructing an edge protection wall below the tie beam at the affected eastern side (Villas Nos. 62–66), and shall install perforated covers on stormwater drain catch pits within 60 days from the date of this order, to prevent flooding, pest entry, and related hazards.
 4. The Promoter (Respondent No. 1) shall bear the entire cost of the aforesaid rectification works and shall not levy any additional charges on the allottees in this regard.
26. Failure to comply with above said directions by the Respondent shall attract penalty in accordance with Section 63 of the RE(R&D) Act, 2016.
27. As a result, the complaint is disposed of accordingly. No order as to costs.

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

Sd/-
Sri. Laxmi NaryanaJannu,
Hon'ble Member
TG RERA

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