

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 15th October, 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. 53/2025/TG RERA and Complaint No. 90/2025/TG RERA

Madhu Maranna Manpati
2-20-2/68, 2 floor, Ganesh Nagar, Street no.1,
Uppal, Medchal-Malkajgiri,
Telangana, India- 500039.

...Complainant

Versus

1. M/s. Krithika Infra Developers
2. Mr. D. Srikanth, Managing Partner
Door No: 314, 3rd Floor, LPT Market,
L.B. Nagar, Ranga Reddy District-500070

...Respondents

The present matter filed by the Complainant herein came up for hearing on 11.06.2025 before this Authority in the presence of the Complainants in persons and none for Respondents despite service of notice and after hearing the arguments by the Complainants and therefore it was set ex-parte on 11.06.2025, and after hearing the Complainants, this Authority passes the following **ORDER:**

2. The present Complaint has been filed by the Complainants 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.

3. Given the similarity in the subject matter and the reliefs sought in both cases, they have been consolidated for the sake of convenience and to prevent unnecessary repetition.

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

4. It was submitted that the Respondents, being promoters within the meaning of the RE(R&D) Act, 2016 planned to develop a real estate project named "Sheshadri's Silver Oak"

on land admeasuring 13,658 square yards in Survey No. 215, situated at Boduppall Village, Medchal-Malkajgiri District.

5. It was stated that after acquiring the land, the Respondents obtained a TS-BPASS Site Inspection Report from the Hyderabad Metropolitan Development Authority on 11.09.2023 and subsequently secured a building permit from the Boduppall Municipal Corporation on 23.09.2023.

6. The Complainants alleged that the Respondents issued a prospectus and began marketing the project without obtaining prior registration from the Telangana Real Estate Regulatory Authority, as mandated under Section 3 of the RE(R&D) Act, 2016.

7. It was submitted that based on the representations made in the prospectus and the assurances given by the Respondents, the Complainant in case no. 53/25 agreed to purchase a flat and paid a total consideration of Rs. 45,46,484/-, for which an Agreement for Sale was executed on 08.09.2023. Similarly, the same Complainant in case no. 90/25 agreed to purchase a flat and paid a total sum of Rs. 35,91,000/-, executing an Agreement for Sale on 03.02.2024.

8. The Complainants stated that according to the terms of their respective agreements, the Respondents had promised to construct and deliver the flats within 30 months, with an additional grace period of 6 months, from the date of the building permit (23.09.2023). However, it was contended that despite the permit having been granted, the Respondents have completely failed to commence any construction work at the project site.

9. It was alleged that upon being confronted, the Respondents admitted that the project was launched with the sole purpose of luring the public and extorting money. Consequently, the Complainants requested the cancellation of their bookings and sent cancellation letters dated 15.11.2024, which were allegedly accepted by the Respondents, who promised to refund the entire amount within 45 working days.

10. The Complainants submitted that despite this undertaking, the Respondents have failed to refund any amount to date. It was further alleged that the Respondents have collected approximately Rs. 54,97,14,079/- from numerous innocent investors and are now planning to execute a deed of cancellation with the original landowners in order to flee from their liability.

11. It was contended that the actions of the Respondents and the complete failure to commence the project clearly demonstrates a dishonest intention to cheat and defraud the Complainants, which has resulted in significant monetary loss and mental harassment.

B. Reliefs Sought

12. Accordingly, the Complainant sought for the following reliefs:

- i. *Direct the respondents to refund the full amount of Rs. 45,46,484 and Rs. 35,91,000 paid by the complainant along with applicable interest from the date of initial payment for the booking of the flats.*
- ii. *Pass any other order or relief as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the case in favour of the complainant.*

C. Points for consideration

13. Following issues arise for consideration by the Authority:

- I. Whether the Respondents Violated Sections 3 & 4 of the RE(R&D) Act, 2016 by not registering the project, Sheshadri's Silver Oak?
- II. Whether the Complainants are entitled to the reliefs? If yes, to what extent?

D. Observations of the Authority

POINT I

14. The record clearly indicates that the attempt to serve notice upon the Respondents was unsuccessful, as the notice was returned with the postal remark “no such person at the address.” Thereafter, in strict compliance with the directions of this Authority, the Complainants undertook substituted service, including personal delivery of the notice to the Respondents. Despite such valid and adequate service, the Respondents failed to appear before this Authority, did not file any reply or response, nor did he participate by making oral submissions during the proceedings. This persistent refusal to engage, despite multiple opportunities afforded, evidences a clear and deliberate avoidance of legal accountability. Therefore, this Authority, after ensuring that all procedural requirements were fully complied with, was constrained to proceed ex-parte against the Respondents by order dated 11.06.2025.

15. The Agreements for Sale placed on record, dated 08.09.2023 for Complaint No. 53/25 and 03.02.2024 for Complaint No. 90/25 respectively, unequivocally established that the Complainant was allotted flats in the proposed real estate project named 'Sheshadri's Silver Oak.' The said project was situated in Survey No. 215, Boduppall Village, Medchal-Malkajgiri District, on a land admeasuring approximately 13,658 square yards, which converts to about

11,418 square meters. The Complainant in case no. 53/25 was allotted a flat with a built-up area of 1516 square feet, while the Complainant in case no. 90/25 was allotted a flat with a built-up area of 1197 square feet, with each allotment including a corresponding undivided share in the land.

16. It is clear from the aforementioned data that the land area involved in the project exceeds 500 square meters, and the number of residential units proposed is significantly above eight. Consequently, the project does not qualify for the exemption specified under Section 3(2) of the RE(R&D) Act, 2016, which exempts projects only where the land area is less than or equal to 500 square meters or the total number of apartments does not exceed eight inclusive of all phases. This statutory provision is crucial as it imposes a mandatory requirement for registration of projects of the magnitude of “Sheshadri’s Silver Oak” prior to any advertisement, marketing, or sale activity.

17. Furthermore, Section 4 of the RE(R&D) Act, 2016 explicitly mandates that every promoter must file an application for registration of the real estate project in the manner prescribed by the Rules. In the instant case, there is no evidence on record to suggest that the Respondents has fulfilled this obligation. The Respondents has neither filed the application nor appeared to provide any material evidence to demonstrate compliance with Section 4. This admitted failure to comply with the registration requirements constitutes a clear breach of the statutory scheme envisioned by the RE(R&D) Act, 2016.

18. In light of the foregoing analysis, it is established that the Respondents have committed clear violations of Sections 3 and 4 of the RE(R&D) Act, 2016. The Respondents entered into Agreements of Sale and accepted substantial payments from the Complainants for units in the project “Sheshadri’s Silver Oak” without obtaining the mandatory registration from this Authority. Despite being provided an opportunity to demonstrate compliance, the Respondents neither submitted a valid application under Section 4 nor placed any material on record to justify his actions. This amounts to a direct and continuing breach of the statutory provisions and violation of Section 3 of RE(R&D) Act, 2016 which mandates pre-registration as a prerequisite for marketing, advertising, booking, offering for sale, selling, or entering into any agreement or inviting person/s to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority. These actions not only contravene the legal obligations imposed upon promoters but also undermine the trust and

financial security of consumers, which the RE(R&D) Act, 2016 seeks to safeguard. Accordingly, the Authority holds the Respondents liable for penalty under Sections 59 and 60 of the RE(R&D) Act, 2016 for these violations. In view of the same, Point I answered in the affirmative.

19. This Authority further takes notice of the fact that in Complaint No. 115 of 2024, **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** in connection with the same unregistered project, “Sheshadri’s Silver Oak.” That penalty was levied on account of the Respondents failure to register the project prior to advertising, marketing, and entering into agreements for sale with prospective buyers. The present complaints emanate from the very same project and involve identical omissions and statutory contraventions on the part of the Respondents. The Authority views this pattern of persistent non-compliance and failure to reform, even after penal action, as a deliberate and wilful breach of the statutory framework prescribed under the Real Estate (Regulation and Development) Act, 2016. Such conduct undermines the primary objectives of the legislation, which are to bring transparency, accountability, and protection to the real estate sector, and amounts to unfair trade practice that exploits consumer trust. Accordingly, the Authority records the earlier penalty in these proceedings and hereby warns the Respondents that any recurrence of such violations shall attract more stringent punitive measures under Sections 63 of the RE(R&D) Act, 2016.

POINT II

20. The Complainant, in both complaints, has prayed for a full refund of the amounts paid, together with applicable interest as prescribed under the relevant provisions of the Real Estate (Regulation and Development) Act, 2016 and the Telangana Real Estate (Regulation and Development) Rules, 2017 (“Rules”). The Complainant has further sought such other orders as this Authority may deem fit and proper in the facts and circumstances of the case.

21. Upon examining the material on record, it is observed that the Complainant had approached the Respondents for cancellation of bookings. The Respondents, through letters dated 15.11.2024, purportedly accepted the cancellation and provided an undertaking to refund the entire amounts within 45 working days. However, the Respondents failed to honour this commitment. Despite repeated follow-ups by the Complainant, the Respondents only provided verbal assurances without any substantive action. This conduct demonstrates a deliberate

intention to mislead and delay, thereby exacerbating the financial and mental hardship suffered by the Complainant.

22. The evidence further reveals that the Respondents received the full sale consideration from the Complainant for two separate flats but failed to commence any construction activity at the project site. The Respondents written undertaking to refund the amounts has not been acted upon. In view of the complete lack of project progress, the Complainant chose to withdraw from the project. It is pertinent to note that this Authority has received multiple complaints against the same Respondents, who has consistently failed to appear before the Authority, indicating a repetitive pattern of malafide conduct intended to deceive innocent allottees.

23. Having regard to the above, it is manifest that the Complainant is entitled to a refund of the entire amount paid, along with interest, under Section 18(1) of RE(R&D) read with Rule 15 of the Telangana Rules, 2017. The interest is to be calculated from the respective date OF Agreement, considering the Respondents deliberate and malicious intention to delay refunds and deceive multiple allottees.

24. As regards the violations, this Authority in Point I has already concluded the violations committed on the part of the Respondents, for which he is liable for penalty. Therefore, Point II is answered in the affirmative, and the Complainant is entitled to a full refund of ₹ 45,46,484/- (Rupees Forty-Five Lakh Forty-Six Thousand Four Hundred and Eighty-Four Only) in Complaint No. 53/2025/TG RERA and ₹ 35,91,000/- (Rupees Thirty-Five Lakh Ninety-One Thousand Only) in Complaint No. 90/2025/TG RERA, along with applicable interest.

Directions of the Authority

25. 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. 45,46,484/- (Rupees Forty-Five Lakh Forty-Six Thousand Four Hundred and Eighty-Four Only) for Complaint No. 53/2025/TG RERA and Rs. 35,91,000/- (Rupees Thirty-Five Lakh Ninety-One Thousand Only) for Complaint No. 90/2025/TG RERA to the Complainant, along with interest at the rate of 10.75% per annum (SBI MCLR of 8.75% + 2%) from the respective dates of the agreements for sale (08.09.2023

and 03.02.2024) till the date of actual refund, in accordance with Rule 15 of the Rules, 2017, within 30 (thirty) days from the date of this order;

26. As a result, the 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

