

**BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY**

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

**Complaint No. 384/2023/TG RERA**

**Dated: 17<sup>th</sup> July 2025**

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

**Afzaluddin Khan**

*(R/o H.No.1-8-315/1, Opp. American Consulate, Patigadda Road, Begumpet, Hyderabad)*

**...Complainant**

**Versus**

**1. Reddy Urban Infra Pvt. Ltd.**

*(Rep by it's Managing Director and authorised signatory Sri. Kumbala Praveen Kumar S/o Kumbala Pratap Reddy, Office at 133/1, The Residency, 2nd Floor, Residency Road, Bangalore)*

**2. Kumbala Praveen Kumar Reddy**

*(S/o Kumbala Pratap Reddy, R/o #293, 8th Main, 4th Phase, JP Nagar, Dollars Layout, Bangalore-78)*

**3. NDL Infratech Pvt. Ltd.**

*(Rep by it's Managing Director Sadashiva Rao Nannapaneni, Regd Office at NATCO House, Road No. 2, Banjara Hills, Hyderabad)*

**4. The Greater Hyderabad Municipal Corporation,**

*(Rep by it's Commissioner, Tank Bund Road, Hyderabad)*

**5. The Greater Hyderabad Municipal Corporation**

*(Rep by it's Chief City Planner, Central Zone, GHMC Head Office, Tank Bund Road, Hyderabad)*

**6. The Sub-Registrar Secunderabad**

*(S.R.O, Kavadiguda, Secunderabad)*

**7. The District Registrar, Hyderabad**

*(Rep by District Registrar, Hyderabad, R.O, Red Hills, Hyderabad)*

**...Respondents**

The present matter filed by the Complainant herein came up for final hearing on 04-03-2025 before this Authority in presence of Complainant Counsel Rakesh Sanghi and Mr. K B Srinivas on behalf of the Respondent1 & 2; upon pursuing the material on record and on hearing arguments of both the parties and having stood over for consideration till this day, the following order is passed:

### **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 “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.

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

3. The Complainant submits that the subject land admeasuring 3 Acres 20 Guntas in Survey No. 194/1 (part) of Begumpet Village, Balanagar Mandal, Medchal-Malkajgiri District forms part of Inam Land belonging to one Lady Viquar @ Jahandarunissa Begum, W/o Late Nawab Iqbaluddowlah, and is under the custody of the Court of Wards. The Complainant is one of the legal heirs of the grandson of Lady Viquar namely Late Nb. Behbood Ali Khan.

4. It is submitted that the 3rd Respondent herein illegally acquired the aforementioned extent of land from an impersonator and subsequently sold the same to the 1st Respondent, represented by the 2nd Respondent, through a registered Sale Deed dated 29.07.2018 bearing Document No. 1748/2018.

5. The Complainant states that the said land is the subject matter of various legal proceedings, in which the 1st, 2nd, and 3rd Respondents are party defendants or respondents. These include:

- a) O.S. No. 105/2022 before the Hon’ble Principal District Judge, Medchal-Malkajgiri
- b) W.P. (PIL) No. 200/2020 before the Hon’ble High Court of Telangana
- c) O.S. No. 617/2019 before the Hon’ble 1<sup>st</sup> Junior Civil Judge, City Civil Courts, Secunderabad
- d) O.S. No. 82/2021 before the III<sup>rd</sup> Senior Civil Judge, City Civil Courts, Secunderabad
- e) W.P. Nos. 19331/2022 and 36577/2022 before the Hon’ble High Court of Telangana

6. The Complainant submits that the 3rd Respondent initially obtained house building permission vide Permit No. 38567/HO/NZ/Cir-18/2014 in File No. 10851/15/02/2014 HO dated 05.12.2014, for the construction of a block of three buildings comprising Ground + Five Upper Floors. The 1st Respondent, represented by the 2nd Respondent, later renewed the said building permission vide Permit No. 1/C30/10347/2021 in File No. 1/C30/15962/2020 dated 15.12.2021.

7. It is further submitted that the Respondents obtained RERA registration despite the pendency of the aforementioned litigation and in violation of Section 4 of the RE(R&D) Act and Rule 14 of the Rules.

8. The Complainant submits that the TG RERA has registered the project.

9. The Complainant submits that the said Respondents are also in violation of several provisions of the RE(R&D) Act and Rules, including:

- a) Failure to open a dedicated bank account for the project.
- b) Failure to submit audited accounts within the statutory period of six months.
- c) Execution of unregistered agreements of sale, which are allegedly used to secure housing loans and thereafter directly executing registered sale deeds and delivering possession without obtaining occupancy certificates from GHMC/HMDA.
- d) Failure to obtain mandatory title insurance and project insurance.
- e) Filing of superficial progress reports, not verified by TG RERA.
- f) Non-disclosure of pending litigation on their website, or in their sales literature.

10. The Complainant submits that in light of the aforesaid illegalities, and violations of the RE(R&D) Act and the Rules, the registration of the entire project is liable to be revoked under Section 5 of the RE(R&D) Act.

11. The Complainant further submits that the building permission dated 15.12.2021 obtained by the Respondents from GHMC is also liable to be revoked, as it was fraudulently obtained based on illegal and void documents, in violation of Condition No. 6 of the said permission.

**B. Relief(s) Sought:**

12. Accordingly, the Complainant sought the following reliefs:

- a) To direct the Respondents No.1 to 3 to disclose the factum of the pendency of the aforesaid Civil Suits and Writ Petitions relating to ownership, title and possession of the said Respondents in respect of the Venture namely “Mahaveer Palm Grove” having a built up area of around 49,723 Square Feet and located in Revenue Survey No. 194/1 of Begumpet Village, Balanagar Mandal, Medchal-Malkajgiri District totally admeasuring 3 Acres 20 Guntas in the Website of the said project being displayed on the RERA Website.
- b) To revoke the RERA Registration of the said project for having malafidely and fraudulently failing to disclose the pending litigation in the application for registration and in the website of the project and the proposal for sale of apartments in the project.
- c) To award the costs of the proceedings.
- d) Any other relief that the Hon'ble authority deems fit and proper.

**C. Respondent 1 and 2 Reply:**

13. The Respondents submitted that the allegations made in the complaint are baseless, speculative and malafide. The Complainant has no locus standi to seek redressal of his grievance under the provisions of the RE(R&D) Act and the TG RE(R&D) Rules, and that the complainant cannot be termed as aggrieved person and the complaint essentially being a claim for title before this Hon'ble Forum. The remedy for such claim, if any, lies elsewhere.

14. The Respondents submit that the construction of the said project is complete in all aspects and that an Occupancy Certificate has been granted by GHMC vide Application No. 010697/GHMC/5269/SEC1/2023-OC dated 10.10.2023. Hence, the complaint is belated, misconceived, and liable to be rejected.

15. The Respondents further state that they have acquired lawful title over the land in Sy. No. 194/1 of Begumpet Village, Balanagar Mandal, admeasuring Ac.3-02 gts. (14,761.31 sq. yards), through a registered sale deed bearing Document No. 1748 of 2018 dated 20.07.2018, executed by Respondent No. 3 (M/s N.D.L. Infratech Pvt. Ltd.), who is claimed to be the absolute owner and possessor of the said land.

16. It is the case of the Respondents that their title flows from one Mirza Ali Moosa Raza, who was granted a pattato an extent of A.7-00 gts in the said Sy. No. 194/1 by the Paigah Estate of Nawab Sir Vicar Ul-Umra, vide Letter No. 185 dated 4th Dai 1352 Fasli (04-11-1942 AD). Said Moosa Raza sold the property to K. Madhusudhan Rao and others vide Sale Deed No. 2568/1967 dated 05.11.1967. Their names were mutated in the revenue records vide Proceedings No. A1/4431/1977 dated 28-04-1977.

17. It was submitted that the Court of Wards preferred appeal before the District Revenue Officer, Rangareddy District aggrieved by the said order of RDO/Chevella dated 28-4-1977 made in file No.A1/4431/77 for implementing the mutation orders. However said appeal was dismissed in default on 22-09-1986. Thus the said order of the RDO/Chevella has become final. Accordingly Faisalpatti and Ryothwari pattedar pass book were issued in favour of K. Madhusudhan Rao & others. Pursuant to such mutation orders the names of K. Madhusudhan Rao & others were entered in the pahanies.

18. The Respondents submitted that K. Madhusudhan Rao and others, represented by GPA holder D. Seshagiri Rao, sold an extent of Ac. 4-16 gts out of Ac. 7-00 gts to Respondent No.3 vide agreement of sale cum General Power of Attorney bearing document No. 3171/2008 dated 05.09.2006. Subsequently, four sale deeds were executed in favour of Respondent No.3 bearing Doc. Nos. 527/2009, 528/2009, 896/2009 and 1073/2009 for Ac. 3-35 gts. Pursuant to the said registered sale deeds the name of Respondent No.3 has been mutated in the revenue records.

19. It was submitted that RDO/Chevella, in proceedings of C. No. L/391/2008 dated 23.02.2008, clarified that the subject land is non-agricultural, and the vendors of Respondent No.3 were in possession from 1967 including the crucial date 01-11-1973. Their names were also mutated in revenue records vide Order No. C/5330/1979 dated 04.06.1980. It was further observed that the vendors of Respondent No.3 are entitled to retain the land under Section 9 of the A.P. (Telangana Area) Abolition of Inams Act, 1956.

20. The Respondents submitted that appeals filed by Smt. Asmathunnisa Begum and others vide F1/5082 of 2008 and by Malreddy Shanker Reddy and D.I. Narsimha vide Appeal No. F1/2878 of 2008 before the Joint Collector, Rangareddy District were both dismissed, and the orders have become final.

21. The Government issued a No Objection Certificate dated 15-03-2009 in respect of Sy. No. 194/1 in favour of the vendors of Respondent No.3. The Respondents contended that in view of these facts, the complaint is frivolous and speculative in nature.

22. The respondent submitted that the claim of the complainant being essentially a claim for title over project land, the jurisdiction to determine the same lies only with the competent civil court and that the Authority has no jurisdiction to determine such claim for title under the provisions of the RE(R&D) Act and Rules.

23. In response to the Complainant's reference to various legal proceedings, it is submitted by the Respondents that the allegations that the land is the subject matter of multiple court cases against the Respondents are denied. It is stated that such proceedings are

either instituted after the registration of the project or are speculative and frivolous in nature, having no bearing on the project.

24. The Respondents have also denied the allegation that the RERA registration was obtained illegally or fraudulently in violation of Section 4 of the RE(R&D) Act or Rule 14 of the TG RE(R&D) Rules. It is stated that all material and relevant pending litigation within the knowledge of the Respondents at the time of registration was disclosed. Frivolous litigation created by busy bodies, which cannot have any bearing on the project were bonafidely believed to be not required to be disclosed under law.

25. The Respondents has denied all the allegations that the project was registered within two working days without proper examination, that this Hon'ble Authority abdicated its responsibility under Section 34(f) of the RE(R&D) Act, that the answering respondents failed to open the dedicated bank account, and that audited accounts were not furnished or were accepted for ornamental purposes. It is submitted that the complainant, without verifying the facts, has filed a frivolous complaint before this Hon'ble Authority. None of the allegations are substantiated, and in any event, the construction of the apartments is completed, rendering the complaint infructuous. The complaint is therefore liable to be rejected in limine.

26. The Respondents further denied the allegations that they avoided execution of registered agreements of sale in favour of third-party purchasers, that they entered into unregistered agreements of sale, or that they delivered possession without obtaining occupancy certificate, thereby bypassing RERA. The allegations that advance amounts were not shown in the books of account, that provisions of the Act were violated, and that the mandatory title and project insurance were not obtained, are also denied as false, baseless, and untenable. The Respondents also denied the allegations regarding filing of superficial progress reports and failure to disclose litigation on the website or in sales literature.

27. The Respondents submit that pursuant to the permission granted by the GHMC and its renewal, they have completed the entire construction of the residential apartment's complex in accordance with the approved plans and that the Occupancy Certificate has been issued by GHMC. The Complainant, despite having no locus standi or claim over the subject land, has filed the present complaint with an oblique motive. Such action amounts to abuse of the process of this Hon'ble Authority and is liable to be rejected.

28. With respect to the reliefs sought in the Complaint, the Respondents submit that the Complainant is neither entitled to any of the reliefs prayed for nor possesses the locus standi to invoke the jurisdiction of this Authority under the provisions of the Act. In any event, In



view of the completion of the project, the reliefs claimed have become infructuous. The Complaint is misconceived and deserves to be dismissed with exemplary costs.

**D. Points to be determined:**

29. Upon perusal of the record and consideration of the rival contentions advanced by the parties, the following points arise for determination before this Authority:

- I. Whether the Complainant herein, has the *locus standi* to maintain this complaint before this Authority under Section 31 of the Act?
- II. Whether the registration of the impugned project was obtained by the Respondent by suppression of material facts concerning the project land? If so, is the developer liable for violation of provisions under the Act?

**E. Observations of the Authority:**

***Point I***

30. This Authority has carefully examined the question of whether the Complainant herein, Mr. Afzaluddin Khan, possesses the requisite *locus standi* to invoke the jurisdiction of this Authority under Section 31 of the RE(R&D) Act. The Respondent has objected to the maintainability of the complaint on the ground that the Complainant cannot be termed as an aggrieved person under the RE(R&D) Act and hence is not competent to maintain the present proceedings.

31. In response, the Complainant has placed on record multiple documents in support of his claim over the project land, including evidence that the land in question forms part of *Inam Land* allegedly belonging to Lady Viquar, whose descendant, Late Nb. Behbood Ali Khan, is claimed to be the Complainant's grandfather. Various civil suits and writ petitions have been filed asserting title and possession, including O.S. No. 105/2022, O.S. No. 617/2019, O.S. No. 82/2021, and W.P. Nos. 19331/2022, 36577/2022 and PIL No. 200/2020, which are pending before competent forums including the Hon'ble High Court of Telangana and civil courts.

32. It is pertinent to note that the Complainant does not seek a declaration of title through these proceedings. Rather, the grievance raised pertains to non-disclosure by the promoter of pending litigations materially affecting the project land, in violation of the disclosure obligations mandated under Section 4 of the Act. The Complainant asserts that such concealment adversely affects not only his interest but also the interests of homebuyers who were denied full knowledge of existing disputes over title.

33. Section 31(1) of the RE(R&D) Act, 2016, empowers an “aggrieved person” to file a complaint before this Authority for any violation or contravention of the provisions of the RE(R&D) Act or the rules and regulations made thereunder. The term “aggrieved person,” though not expressly defined under the Act, has been interpreted to include persons whose legal interests are materially affected by non-compliance with statutory obligations under the Act in connection with a registered project. In the present case, the Complainant is not an allottee, promoter, or real estate agent. However, he has initiated multiple civil and writ proceedings before competent courts, including the Hon’ble High Court of Telangana and civil courts in Medchal-Malkajgiri and Secunderabad, asserting a claim over the title and possession of the land on which the registered project “Mahaveer Palm Grove” stands. These proceedings have been instituted specifically against the Respondents herein. The Complainant’s grievance is that despite being fully aware of these pending proceedings, the Respondents failed to disclose the same at the time of registration of the project, in violation of Section 4(2)(1)(B) of the RE(R&D) Act and Rule 3(1)(e) of the TG RE(R&D) Rules. Given that the outcome of the said proceedings may directly affect the legality of the project and have serious implications for existing and potential allottees, this Authority finds that the Complainant’s legal interests are materially and substantially connected to the subject matter of the project. Therefore, in the regulatory context of ensuring transparency and protection of homebuyer interests, the Complainant satisfies the test of being an “aggrieved person” under Section 31(1) of the RE(R&D) Act. The complaint is therefore maintainable.

34. The scope of this Authority under the RE(R&D) Act includes ensuring that promoters adhere strictly to their statutory obligations. Transparency in the real estate market is central to the object of the legislation. Promoters are under a continuing duty to disclose all material information concerning the project, including litigation affecting the land. Any failure in doing so undermines the regulatory mechanism of the RE(R&D) Act.

35. In light of the above, this Authority is of the considered view that the Complainant possesses the requisite locus standi under Section 31 of the RE(R&D) Act to maintain the present complaint. Accordingly, Point No. I is answered in the affirmative.

### ***Point II***

36. The core issue under this point is whether the Respondent 1 failed to disclose material facts relating to pending litigation affecting the project land at the time of seeking registration, thereby violating statutory obligations under the RE(R&D) Act.



37. From the record, it is evident that the land situated in Survey No. 194/1 (part), Begumpet Village, Balanagar Mandal, Medchal-Malkajgiri District, over which the real estate project "Mahaveer Palm Grove" is developed, is subject to multiple litigations. These include O.S. No. 617/2019 and O.S. No. 82/2021 (filed prior to registration), and O.S. No. 105/2022, W.P. Nos. 19331/2022, 36577/2022 and PIL No. 200/2020 (filed post-registration). The pendency and relevance of these litigations have been substantiated through copies of plaints and court orders placed on record.

38. Despite such pendency, the Respondent 1 submitted an affidavit in Form 'B' declaring that the land was free from all encumbrances, including litigation, while applying for registration. This affidavit is a mandatory requirement under Section 4(2)(l)(B) of the RE(R&D) Act and Rule 3(1)(e) of the TG RE(R&D) Rules, 2017.

39. The declaration in Form 'B' is not a procedural formality but a material representation under oath, forming the basis upon which registration is granted. Any misrepresentation or suppression, whether deliberate or otherwise, constitutes a breach of statutory duty.

40. The Respondent 1, in its reply, contended that only litigations materially relevant to the project were disclosed and characterized others as frivolous or instituted by "busy bodies." Such a defence is legally untenable. The test is not the promoter's subjective opinion on the relevance or frivolity of litigation, but the objective fact of pendency and its potential to affect project development or buyer interests.

41. This Authority holds that a promoter is under a positive and continuing obligation to disclose all litigations affecting title, possession, or development of the project land, both prior to and during registration. Suppression of such facts defeats the transparency objective of the RE(R&D) Act.

42. The Respondent 1's failure to disclose pending litigation at the time of registration, and its failure to subsequently update the project webpage hosted on the TG RERA portal with such information, is a serious breach of the obligations under Section 4(2)(l)(B) of the RE(R&D) Act, Rule 3(1)(e) of the TG Rules, and Form 'B'.

43. Though the project is stated to have been completed and occupancy certificate obtained from GHMC vide Application No. 010697/GHMC/5269/SEC1/2023-OC dated 10.10.2023, this does not absolve the promoter of liability for past statutory breaches.

44. Moreover, since the project registration has lapsed as of 15.12.2023, the Authority is not empowered to revoke the registration under Section 7 of the RE(R&D) Act. However, this limitation does not affect the imposition of penalty under Section 60, which remains available as a regulatory consequence.

45. Accordingly, Point No. II is answered in the affirmative. The Respondent 1 is held liable for breach of Section 4(2)(l)(B) and Rule 3(1)(e), and consequently liable for penalty under Section 60 of the RE(R&D) Act.

46. In view of the foregoing findings, this Authority holds that while the Complainant is not entitled to the relief of revocation of registration due to the lapse of registration, he is entitled to partial relief in the form of a finding of statutory breach and regulatory sanction against the Respondent 1.

47. The Authority, therefore, directs the Respondent 1 to be proceeded against under Section 60 of the RE(R&D) Act for suppression of material facts and submission of a false declaration at the time of registration.

**F. Directions of the Authority:**

48. In light of the findings and observations recorded hereinabove, this Authority vide its powers under Section 37 of the RE (R&D) Act, 2016 issues the following directions:

- a. The Respondent 1 is hereby directed to pay an amount of Rs 05, 00,000/- ( Rupees five lakhs only) as penalty under Section 60 for violation of Section 4(2)(l)(B) of the RE(R&D) Act, 2016 and the statutory declaration under Form 'B'. The penalty amount shall be deposited in favor of TGRERA FUND through a Demand Draft or via online payment to Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 60 (sixty) days from the date of receipt of this order.

49. Failure in compliance of the afore-mentioned directions shall attract penalty under Section 63 of the RE(R&D) Act, 2016.53.

50. The complaint stands disposed of in the above terms. There shall be no order as to costs.

**Sd-  
Sri. K. Srinivasa Rao  
Hon'ble Member  
TG RERA**

**Sd-  
Sri. Laxminaryana Jannu  
Hon'ble Member  
TG RERA**

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