

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 118 of 2024

Dated: 16th 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

1. **Sri Sandeep Kumar**

2. **Smt. Shipali**

*Both are R/o. H.No. 5-63, Road No. 3, Adarsh Nagar Colony,
Bandlaguda Jagir, Ranga Reddy District
500086, Telangana*

...Complainants

Versus

1. **M/s Amacon Developers**

*Represented by Sole Proprietor Smt. Julapalli Sunitha
Office: 5th Floor, B-Block, Win Win Towers,
JNTU Hitech Main Road, Khanamet,
Madhapur, Hyderabad – 500081, Telangana.*

2. **M/s Livana Builders & Developers Pvt. Ltd.**

*Represented by its Authorized Signatory
Shri A. Suresh Krishna
Registered Office: 15, Shivaji Marg, Moti Nagar,
New Delhi – 110015.*

3. **M/s Latona Builders & Constructions Pvt. Ltd.**

*Represented by its Authorized Signatory
Shri A. Suresh Krishna
Registered Office: 15, Shivaji Marg, Moti Nagar,
New Delhi – 110015.*

4. **M/s Chamundeswari Builders Private Limited**

*Represented by its Authorized Signatory Shri M. Sreekumar
Registered Office: 6-3-1090, TSR Towers, Rajbhavan Road,
Somajiguda, Hyderabad – 500082, Telangana.*

5. **M/s DLF Gayatri Developers**

*Represented by its Authorized Signatories:
(i) Shri A. Suresh Krishna,
(ii) Shri M. Sreekumar,
Office: DLF Gateway Towers, 1st Floor,
DLF Phase – III, Gurgaon-122010.*

6. Mr. Yalavarthi Naveenababu

S/o Krishna Mohan Rao

*Address: H.No. 1-58, Nallurupalem, Repalle,
Guntur District, Andhra Pradesh – 522265.*

... Respondents

The present matter filed by the Complainant mentioned herein above came up for hearing before this Authority in the presence of the Complainant counsel and Counsels for the Respondents, and upon hearing the submissions of all the parties, this Authority passes the following **ORDER**:

2. This Complaint has been filed under Section 31 of the Real Estate (Regulation and 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 action against the Respondents.

A. Brief facts of the case:

3. It is submitted that the Respondent No.1 claimed to be the owner and possessor of Plot No. 895, admeasuring 355.56 square yards or 297.29 square meters, situated in the layout “DLF Garden City”, approved by the Hyderabad Metropolitan Development Authority (HMDA) vide Revised Final Layout Permit No. 1/LO/Plg/SHZ/HMDA/2012 dated 28.01.2019 and Final Layout Permit No. 06/LO/Plg/SHZ/HMDA/2012 dated 28.11.2018. The said layout is covered by Survey Nos. 120, 121, 122/P, 126/P, 127/P, 128, 129, 130, 132, 137, 138, 522/P, 524, 525, 526, 528/P, 529/P, 530/P, 531, 535, 550/P, 551, 552/P, 553, 554, and 556 of Rangapur and Nandigama Villages, Nandigama Mandal, Ranga Reddy District, within the jurisdiction of the Sub-Registrar Office, Shadnagar, Telangana State (hereinafter referred to as the “Subject Property”). The Respondent No.1 offered to sell the Subject Property to the Complainants for a total sale consideration of ₹37,38,000/-, stipulating that an advance amount of ₹36,58,000/- be paid immediately, leaving a balance of ₹80,000/- to be paid within three weeks at the time of registration.

4. The Complainants, who were in search of a residential plot to construct their home, found the Subject Property suitable and reasonably priced, and accordingly agreed to the terms proposed by Respondent No.1. The Complainants made payments aggregating to ₹36,58,000/- as follows:

(a) ₹1,000/- through online transfer dated 18.02.2021;

- (b) ₹19,57,000/- vide Cheque No. 023578 drawn on ICICI Bank dated 22.02.2021;
- (c) ₹4,00,000/- through RTGS from IDBI Bank dated 09.04.2021;
- (d) ₹5,00,000/- through RTGS from State Bank of India dated 09.04.2021;
- (e) ₹3,00,000/- through RTGS from Kotak Mahindra Bank dated 09.04.2021; and
- (f) ₹5,00,000/- through RTGS from Kotak Mahindra Bank.

Thus, a total of ₹36,58,000/- was paid by 09.04.2021, leaving the balance of ₹80,000/- to be paid at the time of registration.

5. It is further submitted that upon receipt of the above amount, the Respondent No.1 executed an Agreement of Sale dated 09.04.2021 in favour of the Complainants, reciting that he was the absolute owner and peaceful possessor of the Subject Property. Thereafter, within two weeks of payment, the Complainants requested the Respondent No.1 to accept the remaining sale consideration of ₹80,000/- and execute a registered Sale Deed. However, the Respondent No.1 evaded execution on one pretext or another, citing reasons such as the Covid-19 pandemic, and failed to complete the registration despite repeated assurances.

6. The Complainants have stated that they made several attempts to contact the Respondent No.1 through calls, SMS, and WhatsApp messages, expressing their readiness to pay the balance consideration and complete registration. In response, the Respondent No.1 verbally assured them that the Sale Deed would be executed but continued to delay the same on various grounds.

7. Upon further inquiry, the Complainants discovered that the Respondent No.1 had, in fact, entered into an agreement with Respondent No.5 in September 2020, wherein Respondent No.5 authorized Respondent No.1 to sell certain plots, including the Subject Property, admeasuring approximately 28,810 square yards. Subsequently, the Complainants also came to know that the Respondent No.1 had stopped responding to their calls and messages, and upon visiting his office, were informed by his staff that he was not attending the office regularly.

8. The Complainants thereafter learned that Respondent Nos.1 to 6 had entered into a criminal conspiracy with the intent to cause wrongful loss to the Complainants. Despite there being a valid subsisting Agreement of Sale executed in favour of the Complainants, the Respondents executed a Registered Sale Deed transferring the same Subject Property in favour of Respondent No.6. The Complainants allege that such acts constitute not only a breach of

contractual and statutory obligations but also attract penal consequences under the Indian Penal Code.

9. The Complainants issued a legal notice dated 06.04.2024 to Respondents 1 to 6 through registered post and WhatsApp. The notices were received by Respondents 4 and 5, while those issued to Respondents 1, 2, 3, and 6 were returned unserved. Despite service through WhatsApp, none of the Respondents responded to the notice.

10. It is further alleged that the Respondents have violated various provisions of the Real Estate (Regulation and Development) Act, 2016, including: Section 3 by failing to register the real estate project with the Telangana Real Estate Regulatory Authority; Section 11 by not creating a project webpage or disclosing details as mandated; Section 12 and selling the property to the Complainant; Section 13 by accepting advance sale consideration of ₹36,58,000/-; and Section 15 by transferring the Subject Property to another party without obtaining prior written consent from two-thirds of the allottees and without the prior approval of the Authority.

B. Relief Sought:

11. In light of the aforementioned facts, the Complainant has prayed for the following relief before the Authority:

- I. Direct the Respondents to return the advance amount paid to the Respondent No. 1 amounting to Rs.36,58,000/- (Rupees Thirty Six Lakhs Fifty Eight Thousand Only), along with 24% interest per annum from 09-04-2021 till the Payment of total amount.

C. Counter on behalf of Respondent No.1:

12. Respondent No. 1, has denied all the averments and allegations made by the Complainants in their complaint, including allegations of criminal conspiracy. It is submitted that the filing of the present complaint itself is nothing but a technical conspiracy hatched by Respondent Nos. 2 to 5 along with the Complainants for unlawful benefit under the provisions of the RERA, even though the alleged subject matter does not fall within the jurisdiction of this Authority.

13. Respondent No. 1 points out that Respondent Nos. 2 to 5, in their Joint Counter dated 23.08.2024, have failed to disclose any reason as to why the “Agreement of Sale-cum-General Power of Attorney” registered on 11.04.2022 was executed in place of a proper registered Sale

Deed, despite its clear nature being that of a Sale Deed. It is further contended that several of the documents of title filed by the Complainants are not properly registered and that the terminology of “Agreement of Sale” has been willfully misapplied in the form of “Agreement to Sell,” causing a fundamental flaw in the subject matter and thereby raising a serious question of jurisdiction.

14. It is further submitted that the above said Title Deeds cannot confer two capacities upon Respondent No. 1, namely, as a vendee and GPA holder simultaneously in a single transaction and registration. On the contrary, if Respondent No. 1 is considered to be an agent under the said document, then by operation of the law of agency, any alleged liability would fall upon Respondent Nos. 2 to 5 as principals, and not upon Respondent No. 1.

15. Respondent No. 1 also contends that no notice or legal notice was ever served by the Complainants before filing the present case. It is further submitted that if the complaint is at all capable of invoking the provisions of the RERA, the Complainants must first explain how, after paying an alleged sum of ₹36,58,000/-, they would fail to pay the nominal balance of ₹80,000/- and instead suffer damages, ultimately leading them to file this complaint with criminal allegations rather than approaching the jurisdictional police.

16. Respondent No. 1 submits that the present case is not capable of invoking the subject matter jurisdiction of this Authority. It is submitted that the complaint be dismissed with costs and such other orders as may be deemed appropriate in the interest of justice be passed.

D. Counter on behalf of Respondent Nos. 2 to 5:

17. The Respondent Nos. 2 to 5, while denying all allegations of the Complainants, have at the outset contended that the present complaint is not maintainable either in law or on facts and is liable to be dismissed in limine.

18. It is submitted that Respondent Nos. 2 to 5 are duly incorporated companies/firms under the Companies Act, 1956 and Partnership Act, and are the absolute owners of extensive lands admeasuring Ac.156.07 guntas situated in various survey numbers of Nandigama Village and Mandal, Ranga Reddy District, Telangana (formerly part of Mahaboobnagar District). The lands were purchased under several registered sale deeds executed between 2007 and 2008 and were duly converted from agricultural to non-agricultural use after securing requisite permissions.

19. It is further pleaded that the Respondent Nos. 2 to 5 developed the said land into a residential plotted layout under the project name “Garden City”, in two phases, after obtaining the requisite Final Layout approval and Revised Final Layout approval from the Hyderabad Metropolitan Development Authority (HMDA), vide Layout Permit vide its Lr.No. 15510/LO/Plg/SHZ/HMDA/2008 dated 25.01.2012 and LP.No.06/LO/Plg/SHZ/HMDA/2012 dated 02.04.2012. The project was fully developed with basic amenities and completed in all respects by the year 2016. The plots were handed over to purchasers, and several plot owners have since constructed residential houses. Consequently, it is contended that the project was completed much prior to the commencement of the Real Estate (Regulation and Development) Act, 2016 and the Telangana Rules of 2017, and therefore, the question of registration of the project under RERA does not arise. Hence, the complaint alleging violations of Sections 3, 11, 12 and 15 of the RE(R&D) Act is stated to be misconceived and unsustainable.

20. The Respondents further submit that Respondent No. 5, the registered partnership firm, entered into an Agreement dated 21.09.2020 with Respondent No. 1, *M/s Amacon Developers*, whereby 68 plots, including Plot No. 895 in “Garden City,” were agreed to be sold. Pursuant to the said arrangement, a Plot Allotment Letter dated 06.01.2021 was issued, and eventually a registered Agreement to Sell-cum-General Power of Attorney (AGPA), bearing Document No. 2852/2022 dated 11.04.2022, was executed in favour of Respondent No. 1 in respect of Plot No. 895. It is categorically averred that by virtue of this registered AGPA, executed after receipt of the entire sale consideration, physical possession of Plot No. 895 was handed over to Respondent No. 1. Consequently, all rights and obligations of Respondent Nos. 2 to 5 in respect of the said plot stood extinguished.

21. It is submitted that Respondent No. 1, by virtue of the said irrevocable AGPA, became fully empowered to deal with Plot No. 895, including the right to execute and register sale deeds in its own favour or in favour of prospective purchasers, at its sole discretion. Therefore, Respondent No. 1 alone bears responsibility for any sale, transfer or creation of any third-party rights pertaining to Plot No. 895. Respondent No. 1 is solely responsible for any representation and misrepresentation of any nature whatsoever which is beyond the terms and conditions as agreed between Respondent Nos. 2 to 5 under the Plot Buyer agreement.

22. On this basis, it is contended that there is no privity of contract between the Complainants and Respondent Nos. 2 to 5. The Complainants did not purchase Plot No. 895 from Respondent Nos. 2 to 5, nor was any sale consideration paid to them. Not even a single

rupee was received by these Respondents from the Complainants. The allegation that Respondent Nos. 2 to 5 colluded with Respondent No. 1 or conspired to defraud the Complainants is denied as baseless, false, and defamatory. The Respondents assert that they never met the Complainants, never entered into any agreement with them, and never made any representations to them.

23. It is further pointed out that the Sale Deed dated 21.04.2022, allegedly executed by Respondent No. 1 in favour of Respondent No. 6, was not within the knowledge or notice of Respondent Nos. 2 to 5, and they have no role to play in the said transaction. The Respondents maintain that once the AGPA dated 11.04.2022 was executed, their role came to an end, and the Complainants' remedies, if any, lie only against Respondent No. 1 and the subsequent purchaser Respondent No. 6. Therefore, the attempt to implead Respondent Nos. 2 to 5 in the present complaint is said to be wholly misconceived.

24. Lastly, the Respondents contend that the above claim petition is not maintainable since the Layout Permission of the Plotting Project, "Garden City" has been issued prior to commencement of the Telangana Real Estate (Regulation and Development) Rules, 2017. Hence, the said project of the Respondent Nos. 2 to 5 shall not come within the purview of the Real Estate (Regulation and Development) Act, 2016 and it has to be dismissed, and therefore the complaint itself is not maintainable against them. The allegations of contravention of RERA provisions are unfounded. Accordingly, Respondent Nos. 2 to 5 pray that the complaint be dismissed, with exemplary costs.

E. Counter on behalf of Respondent No.6:

25. At the outset, Respondent No. 6 contends that the complaint is not maintainable either in law or on facts insofar as it concerns him, and therefore the same is liable to be dismissed to his extent.

26. It is submitted that Respondent No. 6 was not a party to the alleged Agreement of Sale dated 09.04.2021 said to have been executed between the Complainants and Respondent No.1. Consequently, the Complainants cannot maintain any grievance against him. It is further asserted that Respondent No. 6 has no role, direct or indirect, in the business affairs of Respondent Nos. 1 to 5, and therefore the allegations levelled against them do not require any reply from him.

27. With respect to the allegation of conspiracy raised by the Complainants, Respondent No. 6 categorically denies the charge that Respondent Nos. 1 to 6 acted in collusion to cause wrongful loss to the Complainants. The averment that a registered sale deed was executed in his favour despite a subsisting Agreement of Sale in favour of the Complainants is described as a bald, baseless and mischievous allegation without any supporting evidence. It is submitted that no material has been placed on record to even remotely suggest that Respondent No. 6 was “hand in glove” with Respondent Nos. 1 to 5.

28. Respondent No. 6 submits that he is a bona fide purchaser. It is stated that he purchased the subject property by way of a registered Sale Deed dated 21.04.2022, after conducting due enquiries and finding no subsisting encumbrance. He further states that prior to the said transaction, he had booked two plots with Respondent No. 1 in the year 2021 and paid a total sum of ₹87,80,700/-, largely through banking channels and partly in cash. Detailed particulars of payments have been furnished, including an initial booking payment of ₹2,80,000/- on 13.01.2021 made by cheque drawn on HDFC Bank. It is submitted that although consideration for two plots was fully paid along with registration costs, only one plot, i.e., the subject property has been registered in his favour so far.

29. It is further stated that Respondent No. 6 had not received any legal notice dated 06.04.2024 allegedly issued by the Complainants, and therefore he was deprived of an opportunity to respond at the appropriate stage. It is submitted that the complaint be dismissed to his extent with costs, and that such other orders as deemed fit in the interest of justice may be passed.

F. Rejoinder filed by Complainants:

30. The Complainants, through their rejoinder, reiterated the grounds of their original complaint and traversed the counters filed by Respondent Nos. 1 to 6. They submit that Respondent No. 1 entered into an Agreement of Sale in respect of the schedule property for a total sale consideration of ₹37,38,000/-, out of which they have already paid a sum of ₹36,58,000/-, leaving only a balance of ₹80,000/-. The property in question is part of the real estate project developed by Respondent Nos. 2 to 5, who had executed an Agreement in favour of Respondent No. 1 authorizing him to sell 68 plots in the said project, which included the schedule property. However, instead of executing a Sale Deed in their favour, the Respondents proceeded to execute a Sale Deed in favour of Respondent No. 6 without terminating the

subsisting Agreement of Sale with the Complainants, thereby depriving them of their lawful rights.

31. With respect to the counter of Respondent No. 1, the Complainants submit that the objections raised therein are in the nature of disputes between Respondent No. 1 and Respondent Nos. 2 to 5. It is pointed out that Respondent Nos. 2 to 5 themselves pleaded the execution of the Agreement dated 21.09.2020 in favour of Respondent No. 1, though they failed to file the same, whereas the Complainants have produced it as Document No. 7. They further highlight that Respondent Nos. 2 to 5 admitted execution of the Agreement of Sale-cum-GPA dated 11.04.2022, which clearly authorized Respondent No. 1 to sell the schedule property. As regards the contention that no legal notice was served, the Complainants state that a legal notice was indeed issued to all the Respondents, as evidenced by Document No. 6, and this was specifically pleaded in paragraph 9 of the complaint. In addition to registered post, notices were also served through WhatsApp to Respondent Nos. 1 and 5. On the allegation regarding failure to pay the balance of ₹80,000/-, it is submitted that after receipt of 98% of the total sale consideration, Respondent No. 1 failed to respond to the Complainants' communications and, without terminating the Agreement of Sale, executed a Sale Deed in favour of Respondent No.6.

32. As to the counter of Respondent Nos. 2 to 5, the Complainants submit that the basic ground taken by them is that layout approvals for the Garden City project were obtained in 2012, prior to the enactment of RERA, and therefore the project is outside the purview of the RE(R&D) Act. However, the Complainants point out that in their pleadings, Respondent Nos. 2 to 5 produced a table which itself shows that revised final layout approvals for Phase I and Phase II were obtained on 11.02.2019. This was subsequent to the enactment of RERA and squarely attracts Section 3 and Rule 4 of the RE(R&D) Act, which mandate registration of all ongoing projects not covered by a completion or occupancy certificate.

33. With regard to Respondent No. 6, who claims to be a bona fide purchaser having booked two plots in 2021 and paid a total of ₹87,80,700/-, the Complainants submit that the plots booked by him were Plot Nos. 799 and 774, whereas the schedule property belonging to them is Plot No. 895. Having booked and paid consideration for two different plots, there is no justification for registration of Plot No. 895 in favour of Respondent No. 6. This act, according to the Complainants, amounts to a criminal conspiracy designed to deprive them of their lawful rights and to cause wrongful loss.

G. Points to be determined:

34. Based on the above stated facts and relief sought, the following issues arise for determination before this Authority:

- I. Whether the present complaint is maintainable before this Authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016?
- II. Whether Respondent Nos. 1 to 6 have violated any provisions of the RE(R&D) Act, 2016? If so, what is the liability of each of them?
- III. Whether the Complainant herein is entitled to the relief sought?

H. Observations of the Authority:

Point I

Whether the present complaint is maintainable before this Authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016?

35. Upon the perusal of all the pleadings as well as the documents placed on record by all the parties, this Authority proceeds with the following observations. The *Respondent Nos. 2 to 5*, have raised a preliminary objection regarding the maintainability of the present complaint, contending that the project “*Garden City*” was completed in all respects prior to the commencement of the Real Estate (Regulation and Development) Act, 2016 and the Telangana Real Estate (Regulation and Development) Rules, 2017. It is their specific plea that the project consisted of land development into residential plots; that layout approvals were granted by the Hyderabad Metropolitan Development Authority (HMDA) on 25.01.2012 and 02.04.2012; and that the entire development was completed by 2016, with possession handed over to plot owners and several of them having already constructed houses. Therefore, according to these Respondents, since the layout permission for the said project was obtained prior to the commencement of the Telangana Rules, 2017, the project shall not come within the purview of the Real Estate (Regulation and Development) Act, 2016, and accordingly, the present complaint is liable to be dismissed on this ground alone.

36. Upon careful examination of the record, this Authority finds the said contention factually incorrect and legally untenable. In their own counter, at Point 6, *Respondent Nos. 2 to 5* have disclosed that technical approval for the Phase II layout was granted by HMDA vide letter dated 28.11.2018, and the revised final approval for the Phase I layout was accorded vide letter dated 28.01.2019. These approvals, which are also substantiated by documents produced

before this Authority, were evidently obtained much after the coming into force of the RE(R&D) Act, 2016 and Telangana Rules, 2017 and hence the project cannot be treated as a completed project prior to the enactment.

37. It is also necessary to refer to the plain language of Section 3(1) of the Real Estate (Regulation and Development) Act, 2016, which reads as follows:

“No promoter shall advertise, market, book, sell or offer for sale, or invite persons 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 established under this Act:

Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:

Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.”

38. A plain reading of the above provision makes it abundantly clear that the applicability of the RE(R&D) Act is not determined by the date of sanction of building permission but by the status of completion of the project as on the date of commencement of the Act. Any project for which a Completion Certificate or Occupancy Certificate had not been issued as on the date of commencement of the Act is deemed to be an ongoing project and, consequently, falls within the regulatory ambit of this Authority.

39. In this regard, reference is invited to G.O.Ms.No.60 dated 04.03.2025, issued by the Government of Telangana, whereby Rule 2(1)(j) of the Telangana Real Estate (Regulation and Development) Rules, 2017, was amended to bring it in consonance with the central enactment. The amended Rule now defines an “ongoing project” as one where development activity is in progress and for which the Occupancy Certificate or Completion Certificate from the competent authority has not been issued as on the date of commencement of the Act under Section 3(1).

40. Therefore, even though the Respondents may have initiated development activities in 2012, the subsequent revised layout approvals obtained in 2018 and 2019 conclusively establish that the project continued beyond the commencement of the RE(R&D) Act, and thus squarely falls within the definition of an “ongoing project.” It is also pertinent to note that in *Complaint No. 563 of 2022*, this Authority has already imposed a penalty of ₹2,50,000/- on Respondent Nos. 2 to 5 for their failure to register the same project “*DLF Garden City*” in accordance with the provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016.

41. Accordingly, for the purpose of the present proceedings, this Authority confines its consideration under this point to the aspect of maintainability in light of the above determination. Therefore, in view of the foregoing facts and findings, this Authority holds that the complaint is maintainable before this Authority under Section 31 of the RE(R&D) Act, 2016.

42. *Respondent No. 1* has also raised an objection to the maintainability of the complaint on the ground that the subject matter does not fall within the jurisdiction of this Authority. It is contended that if the present complaint/case is at all capable of invoking the provisions of the Real Estate (Regulation and Development) Act, 2016, the Complainants must first explain the reasons and grounds capable of reasonably suggesting that the persons, who were able to pay an alleged amount of ₹36,58,000/-, would fail to pay a nominal balance of ₹80,000/- and instead suffer consequential damages which ultimately led them to file the present complaint with criminal allegations, without approaching the jurisdictional police personnel. On this basis, *Respondent No. 1* asserts that the complaint is not capable of invoking the subject matter jurisdiction of this Authority.

43. This Authority has carefully considered the above contention. The objection raised by *Respondent No. 1* is primarily premised on the nature of the transaction rather than on the statutory applicability of the RE(R&D) Act. It is undisputed that *Respondent No. 1* entered into an Agreement of Sale dated 09.04.2021 with the Complainants for sale of Plot No. 895 situated in the project “*DLF Garden City*,” for a total consideration of ₹37,38,000/-, out of which ₹36,58,000/- was received by *Respondent No. 1*. The said transaction is directly connected to a larger real estate project undertaken and marketed as part of a plotted development layout approved by the HMDA. Therefore, the transaction cannot be regarded as an isolated private

sale between two individuals but forms part of a real estate project as defined under Section 2(zn) of the RE(R&D) Act.

44. Further, Section 31 of the RE(R&D) Act confers jurisdiction upon this Authority to entertain complaints from “any aggrieved person” for “any violation or contravention of the provisions of this Act or the Rules and Regulations made thereunder.” The Complainants have alleged clear contraventions of Sections 3, 11, 12, 13, and 15 of the RE(R&D) Act. These allegations pertain to statutory violations under the RE(R&D) Act and hence, the complaint squarely falls within the ambit of Section 31.

45. In view of the above, this Authority finds that the objection raised by *Respondent No.1* is devoid of merit. The grievance raised by the Complainants relates to a real estate transaction forming part of a larger plotted development project which attracts the provisions of the RE(R&D) Act, 2016. Accordingly, the complaint is maintainable before this Authority under Section 31 of the Act, and the preliminary objection raised by *Respondent No.1* is hereby rejected.

Point No. 1 is answered accordingly.

Point II

Whether Respondent Nos. 1 to 6 have violated any provisions of the RE(R&D) Act, 2016? If so, what is the liability of each of them?

46. Upon careful examination of the pleadings, documents, and submissions made by the parties, this Authority observes that the *Respondent No.1*, M/s Amacon Developers, has entered into an Agreement of Sale dated 09.04.2021 in favour of the Complainants, *Sri Sandeep Kumar and Smt. Shipali*, in respect of Plot No. 895 admeasuring 355.56 square yards situated in the project “DLF Garden City”, developed in the layout approved by the HMDA. The total sale consideration agreed between the parties was ₹37,38,000/-, out of which the Complainants have paid a sum of ₹36,58,000/- towards the advance consideration, leaving a nominal balance of ₹80,000/- to be paid at the time of registration of the plot.

47. The Complainants have placed on record the *Agreement of Sale* dated 09.04.2021 executed by *Respondent No.1*, together with multiple payment receipts showing transfer of amounts aggregating to ₹36,58,000/- through cheques and RTGS transactions made in the name of *Amacon Developers*. The particulars of such payments are clearly reflected in the

Agreement of Sale and the payment receipts, establishing that the entire amount was paid towards Plot No. 895 in the said project “DLF Garden City.” This unequivocally shows the existence of a contractual relationship between the parties.

48. In response, *Respondent No.1*, in its counter affidavit, has not specifically denied the execution of the said Agreement of Sale or the receipt of consideration from the Complainants. The Respondent has merely made general and evasive averments, alleging that the complaint is a conspiracy and that the same does not fall within the jurisdiction of this Authority. The only reference made by *Respondent No.1* to the transaction is contained in the following statement:

“If the present complaint/case is capable of invoking the provisions of RERA, notwithstanding the denial of all the averments and allegations. At the outset, the Complainants herein must be able to explain to this Hon’ble Tribunal the reasons and grounds capable of reasonably suggesting that the persons (Complainants herein), who are able to pay an alleged amount of Rs. 36,58,000/-, will fail to pay a nominal balance of Rs. 80,000/- and suffer consequential damages which ultimately lead them to file the present complaint/case with criminal allegations without approaching the jurisdictional police personnel.”

49. From the above extract, it is apparent that *Respondent No.1* has not denied the existence of the Agreement of Sale or the fact of having received the sum of ₹36,58,000/- from the Complainants. Instead, he has attempted to cast aspersions on the motives of the Complainants without furnishing any documentary evidence or plausible explanation to rebut the documentary proof produced by them. The counter is wholly silent on the status of the transaction, the application of the received funds, or the reason for non-execution of the Sale Deed. No material document has been produced by *Respondent No.1* to establish that there was no transaction with the Complainants at any stage.

50. The Agreement of Sale dated 09.04.2021 itself clearly stipulates that the “*balance amount of ₹80,000/- (Rupees Eighty Thousand Only) will be paid within three weeks from the date of the agreement, i.e., at the time of registration*”. The obligation to pay the balance consideration thus arose simultaneously with the obligation of *Respondent No.1* to present the property for registration and complete the sale transaction. When the *Respondent No.1*, despite receipt of substantial amount of the total sale consideration, failed to take any steps to fix a date for registration or to execute the Sale Deed, the Complainants could not have been expected to tender the balance amount in the absence of the Respondent’s cooperation. The default, therefore, lies squarely with *Respondent No.1*, who by his inaction and evasive conduct

frustrated the performance of the contract and deprived the Complainants of their rightful ownership over the subject property.

51. This Authority, therefore, finds that the execution of the *Agreement of Sale dated 09.04.2021* and the payment of ₹36,58,000/- by the Complainants towards Plot No. 895 in “DLF Garden City” stand conclusively established. The failure of *Respondent No.1* to specifically deny these facts or to controvert the documents placed on record leads to the inference that the transaction is admitted and that the Respondent has no valid defence to dispute the same.

52. This Authority has next considered the role and liability of *Respondent Nos. 2 to 5*, namely *M/s Livana Builders & Developers Pvt. Ltd.*, *M/s Latona Builders & Constructions Pvt. Ltd.*, *M/s Chamundeswari Builders Pvt. Ltd.* and *M/s DLF Gayatri Developers*, who are admittedly the original developers and landowners of the project known as “DLF Garden City.” The record shows that these Respondents executed an Agreement of Sale-cum-General Power of Attorney dated 11.04.2022 in favour of *Respondent No. 1, M/s Amacon Developers*. In the said document, *Respondents No. 2 to 5* are described as the “Vendors-cum-Principals” and *Respondent No.1* as the “Vendee-cum-Attorney.”

53. A perusal of the said document, particularly Clause 10, makes it explicitly clear that the *Vendee-cum-Attorney (Respondent No.1)* was solely responsible for all sales, transfers, or creation of any third-party rights, and for receiving any sale consideration amounts, which were to be for its own use and on its own behalf. The relevant clause is extracted verbatim as follows:

“That the Vendee-cum-Attorney shall be solely responsible for all/any sale, transfer or creation of any third-party rights pertaining to any or the property details in Schedule-B Property hereinabove, including but not limited to receipt of any amount with respect thereto, which shall be on its behalf and for its use only.”

54. For clarity, the Schedule-B Property referred to in the above document specifically corresponds to Plot No. 895 admeasuring 297.30 sq. metres (approx. to 356 square yards) situated in the project “Garden City” developed by *Respondent Nos. 2 to 5*. It is, therefore, evident that the very property forming the subject matter of the present complaint was the same Schedule-B Property over which *Respondent No.1* was vested with full authority to sell, transfer, and receive consideration.

55. It is also relevant to note the existence of an Agreement of Sale dated 21.09.2020 executed between *Respondent No.5*, M/s DLF Gayatri Developers and *Respondent No.1*, M/s Amacon Developers. Under this Agreement, *Respondent No.5*, described therein as the “Vendor,” agreed to sell 68 plots forming part of the approved layout “Garden City” to *Respondent No.1*, described as the “Vendee.” The Agreement specifically records that the “Garden City” project was jointly owned by M/s Livana Builders & Developers Pvt. Ltd., M/s Latona Builders & Constructions Pvt. Ltd., and M/s Chamundeswari Builders Pvt. Ltd.

56. The Agreement of Sale further reflects that *Respondent No.1* had purchased the said plots from *Respondent No.5* for consideration of ₹16,42,00,000/-, with a right to have the plots registered or obtain Agreements-cum-General Powers of Attorney in its favour. This establishes that *Respondent No.1* had acquired the plots for commercial resale on its own behalf and not as an agent of the original landowners.

57. Accordingly, once the plots were sold by *Respondent No.5* to *Respondent No.1* under the said Agreement, the responsibility and ownership with respect to those plots, including Plot No. 895 in question, stood transferred to *Respondent No.1*. The role of *Respondent Nos. 2 to 5* was limited to developing and selling the plots to *Respondent No.1*, and upon such transfer, they ceased to have any privity of contract or responsibility toward subsequent purchasers. Therefore, no liability under the provisions of the Real Estate (Regulation and Development) Act, 2016, can be attributed to *Respondent Nos. 2 to 5*.

58. The Authority has also examined the registered Sale Deed dated 21.04.2022 executed in favour of *Respondent No.6*, which records that *Respondent Nos. 2 to 5*, represented by their AGPA holder M/s Amacon Developers (*Respondent No. 1*), executed the sale. A perusal of the said Sale Deed makes it clear that *Respondent No.1* is described therein as the “Vendor” and has executed the document in that capacity. The Sale Deed further records that the entire sale consideration was received by *Respondent No.1*, and the document bears the signature and execution solely of *Respondent No.1* in its capacity as vendor. *Respondent Nos. 2 to 5* neither signed the document nor received any part of the sale consideration directly. This clearly demonstrates that all acts relating to the sale, transfer, and receipt of consideration were carried out exclusively by *Respondent No.1*.

59. In light of these records, the Authority finds that the role of *Respondent Nos. 2 to 5* ended with execution of the Agreement of Sale dated 21.09.2020 and the AGPA dated 11.04.2022 in favour of *Respondent No.1*. Thereafter, all subsequent transactions, including the

Agreement of Sale with the Complainants, collection of consideration, and transfer of the plot to Respondent No.6, were actions undertaken independently by Respondent No.1.

60. The Respondent No. 1, in his counter, has stated that he acted merely as an agent by virtue of a “Contract of Agency” allegedly expressed in the controversial Agreement of Sale-cum-General Power of Attorney (GPA). However, upon careful examination of the material on record and the nature of his actions, this Authority finds such a contention untenable.

61. The conduct of *Respondent No.1* cannot be considered that of a mere agent. On the contrary, his actions are indicative of those of a promoter within the meaning of Section 2(zk) of the Real Estate (Regulation and Development) Act, 2016. *Respondent No.1* entered into an Agreement of Sale as a vendor, explicitly claiming to be the sole and absolute owner and possessor of the concerned plot. At no point did he represent himself as an agent or GPA holder. As already discussed in earlier paragraphs, his claim of title and authority over the said plot is self-asserted and not derived from any valid agency. Further, as per Section 2(zk)(vi) of the Act, “for the purposes of this clause, where the person who constructs or converts a building into apartments for sale, or develops land into plots for sale, and the person who sells such plots or apartments, both shall be deemed to be promoters.” In view of this statutory definition, the claim of Respondent No. 1 that he merely acted as an agent is devoid of merit.

62. An agent’s role is limited to facilitating the sale or purchase of property on behalf of another, without assuming ownership or executing transactions in his own name. However, in the present case, *Respondent No.1* has executed Agreements of Sale, collected substantial consideration from allottees, described himself as the vendor, claimed ownership rights over the plots, and even proceeded to register the plots in the names of third parties. Such conduct is clearly beyond the scope of an agent’s role and squarely falls within the definition and functions of a promoter.

63. From the material available on record, it is evident that *Respondents No. 2 to 5* had no involvement in the aforesaid transactions. Accordingly, *Respondent No.1* alone is held responsible for the registration of the plot in question.

64. Furthermore, based on his own submissions, *Respondent No.1* has not denied that he possessed the power of registration; rather, he merely contended that no notice was issued to him prior to the filing of the complaint. He also sought to justify his actions on the ground that the complainant failed to pay the balance amount of ₹80,000/- after having paid ₹36,58,000/-.

Such reasoning is untenable and cannot absolve him of his statutory obligations under the RE(R&D) Act.

65. Under Section 11(4)(a) of the RE(R&D) Act, the promoter is responsible for all obligations, responsibilities, and functions under the provisions of the Act, the Rules, and the agreement for sale, until conveyance of the plot or building to the allottee is completed. In the present case, *Respondent No.1*, who falls within the definition of “promoter,” failed to discharge its statutory and contractual obligations towards the Complainants. Having accepted almost the entire sale consideration, *Respondent No.1* neither conveyed the plot in favour of the Complainants nor ensured refund of the amounts received. Instead, the same plot was transferred to a third party, thereby breaching their continuing obligation under Section 11(4)(a) to protect the interests of the allottees and to complete conveyance in accordance with the agreed terms.

66. It is further observed that under Section 18(1) of the RE(R&D) Act, where the promoter fails to complete or is unable to give possession of the property in accordance with the terms of the Agreement for Sale, the allottee is entitled to refund of the amount paid together with prescribed interest. In the present case, *Respondent No.1*, having entered into a valid Agreement of Sale with the Complainants and having received substantial consideration thereunder, failed to honour its contractual and statutory obligations. Instead, *Respondent No. 1* proceeded to execute and register the Sale Deed for the very same plot in favour of a third party, despite the subsisting Agreement of Sale with the Complainants. Such conduct amounts to a clear violation of the statutory duties cast upon a promoter under the RE(R&D) Act, 2016.

67. With respect to *Respondent No.6*, Sri Yalavarthi Naveen Babu, the record demonstrates that he purchased Plot No. 895 under a registered Sale Deed dated 21.04.2022, executed by *Respondent No.1*. The documents placed on record reveal that the said purchase was made after due payment of sale consideration and upon completion of registration formalities. There is no material available to indicate that *Respondent No. 6* had any prior knowledge of the *Agreement of Sale dated 09.04.2021* executed in favour of the Complainants or that he was in any manner party to or aware of the disputes between the Complainants and *Respondent No.1*.

68. On the face of the documents, therefore, *Respondent No.6* appears to be a bona fide purchaser without notice of the subsisting agreement. The Complainants have not placed on record any cogent evidence to establish that *Respondent No.6* had actual or constructive notice

of the Agreement of Sale in their favour or that he colluded with any of the other Respondents in effecting the subsequent transfer.

69. In these circumstances, this Authority is of the view that no liability under the provisions of the RE(R&D) Act, 2016, can be fastened upon *Respondent No.6*. His role is confined to being a purchaser of the subject plot under a registered Sale Deed, and there is no material to suggest that he acted as a promoter, agent, or intermediary in relation to the project. Accordingly, *Respondent No.6* stands outside the ambit of liability under the Act.

Point No. 2 is answered accordingly.

Point III

Whether the Complainant herein is entitled to the relief sought?

70. The Complainants have prayed for refund of the amount of ₹36,58,000/- paid to *Respondent No.1* along with interest at 24% per annum from 09.04.2021, till the payment of total amount. Upon consideration of the material on record and the above findings, it stands established that the Complainants entered into an Agreement of Sale dated 09.04.2021 with *Respondent No.1*, M/s Amacon Developers in respect of Plot No. 895 in the project “DLF Garden City.” Under the said Agreement, the Complainants paid a sum of ₹36,58,000/- out of the total sale consideration of ₹37,38,000/-, leaving only ₹80,000/- payable at the time of registration. Despite receipt of such substantial payment, *Respondent No.1* failed to execute and register the Sale Deed in favour of the Complainants and, instead, executed a registered Sale Deed dated 21.04.2022 conveying the same plot to a third party, *Respondent No.6*, Sri Yalavarthi Naveen Babu.

71. In light of these facts, it is evident that *Respondent No.1* has failed to perform its obligations under the Agreement of Sale and has deprived the Complainants of both their money and the property contracted for.

72. Under Section 18(1)(a) of the RE(R&D) Act, where the promoter fails to complete or is unable to give possession of the property in accordance with the terms of the agreement for sale, the allottee is entitled, at his option, to withdraw from the project and claim refund of the amount paid along with the prescribed rate of interest. The conduct of *Respondent No.1* squarely attracts this provision, as it not only failed to convey the plot but also alienated it to a third party in disregard of a subsisting contractual obligation.

73. Consequently, the Complainants are entitled to withdraw from the transaction and claim refund of the entire amount paid to *Respondent No.1*, together with interest from 09.04.2021 which is the date of execution of Agreement of Sale.

74. With respect to the rate of interest, the Authority notes that while the Complainants have claimed interest at 24% per annum, the rate of interest payable under the RE(R&D) Act is governed by Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, which links it to the State Bank of India's Marginal Cost of Lending Rate (MCLR) plus 2%. The claim for a higher rate of 24% therefore cannot be accepted. The Complainants shall instead be entitled to interest at the rate prescribed under the RE(R&D) Act and Rules thereunder, computed from the date of execution of the Agreement of Sale i.e., 09.04.2021.

75. In view of the above, this Authority holds that the Complainants are entitled to the relief sought to the extent indicated herein. *Respondent No.1*, M/s Amacon Developers is held liable to refund to the Complainants the sum of ₹36,58,000/- (Rupees Thirty-Six Lakhs Fifty-Eight Thousand only) along with interest at the rate prescribed under Rule 15 of the Telangana Rules from 09.04.2021.

Point No. 3 is answered accordingly.

I. Directions of the Authority:

76. In exercise of the powers conferred upon this Authority under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, and in furtherance of the findings and conclusions drawn hereinabove, the following directions are hereby issued:

- i. The *Respondent No.1*, M/s Amacon Developers, is directed to refund to the Complainants the entire amount of ₹36,58,000/- (Rupees Thirty-Six Lakhs Fifty-Eight Thousand only), along with interest at the rate of 10.75% per annum (SBI MCLR of 8.75% plus 2%), in accordance with Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from the date of execution of the Agreement of Sale i.e., 09.04.2021. The said refund together with interest shall be made within thirty (30) days from the date of receipt of this order.

77. Failing to comply with the above-said direction by Respondents shall attract penalty in accordance with Section 63 of the RE(R&D) Act, 2016.

78. 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. Laxmi Narayana Jannu, Hon'ble Member TG RERA	Sd/- Dr. N. Satyanarayana, IAS_(Retd.), Hon'ble Chairperson TG RERA
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