BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 17th November 2026

Coram: **Sri K. Srinivasa Rao, Hon'ble Member**

RC No. 158/2026/TG RERA

Mr. Ashok Kumar Chigurupati
(H.No 16-156, New Veterinary Hospital,
Penuguganchiprolu, NTR District,
Andra Pradesh - 521190)

…Complainant

Versus

M/s. Suvarna Bhoomi Infra Developers Pvt. Ltd
Represented by

1. **Sri Bollineni Sridhar, Managing Director**
2. **Mr. Penuballi Ravi Kumar, Authorized Representative**
   (Office at 8-2-680/3, 3rd Floor,
   Opp SBI Bank Road No. 12,
   Banjarahills, Hyderabad – 500034)

…Respondents

TG RERA
TELANGANA REAL ESTATE REGULATORY AUTHORITY

The present matter filed by the Complainant herein came up for hearing on 16.06.2026 and 30.07.2026 before this Authority. On 16.06.2026, the Complainant was present online and made oral submissions, and the Respondents were absent. On 30.07.2026, both the Complainant and the Respondents were absent. This Authority, after perusing the record, passes the following **ORDER:**

2. The present Complaint has been filed by the Complainant under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate reliefs against the Respondents.

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

3. The Complainant states that he is an investor who invested a total sum of ₹10,00,000/- (Rupees Ten Lakhs only) with the Respondent. It was submitted that the investment was made on 06.09.2023 based on the representations and assurances of the Respondent regarding a buyback investment scheme in a real estate project promoted by it. According to the Complainant, the Respondent assured him that the invested amount of Rs.10,00,000/- would be returned after 18 months, along with a fixed Return on Investment (ROI) of Rs.5,00,000/-, making a total of Rs. 15,00,000/-.

4. The Complainant stated that, relying on these assurances, he invested the amount in good faith, a Memorandum of Understanding dated 06/09/2023 was executed between the complainant and the Respondent.

5. It was contended that, as per the agreed terms, the buyback amount along with the assured ROI became due and payable after 18 months, i.e., by February 2025. Despite repeated oral requests, follow-ups and reminders, the Respondent has not refunded the principal amount of Rs.10,00,000/- or paid the assured ROI of Rs.5,00,000/-, and has not given any valid explanation for the delay.

6. The Complainant alleged that the conduct of the Respondent amounts to deficiency in service, unfair trade practice and violation of the provisions of the Real Estate (Regulation and Development) Act, 2016, and that the Respondent induced him to invest by making false promises of assured returns and buyback. He stated that he has suffered financial loss, mental agony and hardship.

7. It was further stated that the cause of action arose on 06.09.2023, when the investment was made, and continues because the Respondent has not refunded the amount even after the buyback period expired.

B. Relief(s) Sought

8. Accordingly, the Complainant sought the following reliefs:

i. To direct the Respondent to refund the principal amount of Rs.10,00,000/- (Rupees Ten Lakhs only) received from the Complainant.

ii. To direct the Respondent to pay the assured Return on Investment (ROI) of Rs.

5,00,000/-, as promised under the buyback agreement.

iii. To direct the Respondent to pay interest at the rate prescribed under Section 18 of the Real Estate (Regulation and Development) Act, 2016, i.e., SBI's highest Marginal Cost of Lending Rate (MCLR) plus 2%, on the total amount of ₹15,00,000/-, from February 2025 (date of default) till realization.

iv. To direct the Respondent to pay an interest amount of Rs. 1,65,000/- (Rupees One Lakh Sixty-Five Thousand only), calculated at approximately 11% per annum for one year (February 2025 to February 2026), and to further pay continuing interest at the same rate until the entire amount is realized.

v. To award compensation of Rs. 3,00,000/- to the Complainant for mental agony, financial hardship and harassment caused by the Respondent's alleged wilful default and unfair trade practices.

vi. To impose penalty on the Respondent for violation of Sections 12 and 18 and other applicable provisions of the Real Estate (Regulation and Development) Act, 2016.

vii. To award costs of the proceedings in favour of the Complainant.

viii. To pass such other and further orders as this Authority may deem fit and proper in the interests of justice and equity.

C. Observations of the Authority

9. The issue for consideration before this Authority is whether the transaction between the Complainant and the Respondent falls within the ambit of the Real Estate (Regulation and Development) Act, 2016 and, consequently, whether this Authority has jurisdiction to entertain the present complaint.

10. This Authority has gone through the complaint. From the material placed on record, it is evident that the Complainant entered into an MOU dated 06/09/2023 with the Respondent by investing an amount of Rs. 10,00,000/- under a scheme which offered at the end of a 18-month period along with fixed Return on Investment (ROI) of Rs.5,00,000/-, making a total of Rs.15,00,000/-. The terms of the Memorandum of Understanding (MOU) clearly indicate that the transaction was structured primarily as a

financial investment promising monetary returns after a fixed tenure, rather than as a sale or allotment of a plot or apartment for residential use. The Complainant's own pleadings emphasize the expectation of a "buyback value" rather than possession of immovable property.

11. Section 2(d) of the RE (R & D) Act, 2016, defines "allottee" as:

> *"in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent."*

12. This Authority is of the view that the arrangement was an investment-cum-return scheme and a commercial transaction, that the complainant was not an "allottee" under Section 2(d) of the Act, and that this Authority was not the appropriate forum for the dispute.

13. In view of the above, this Authority is of the opinion that the Complainant does not fall within the definition of "allottee" under Section 2(d) of the Act, and that the transaction is an investment-cum-return scheme, which is a commercial transaction between the parties. Consequently, the transaction does not attract the provisions of the Act, and this Authority has no jurisdiction to entertain the complaint under Section 31 of the Act. The complaint is not maintainable, for the reasons given above.

14. Accordingly, the complaint is dismissed as not maintainable. The Complainant is directed to approach the appropriate forum for his claims against the Respondents.

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