

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No.97/2025/TG RERA (Penalty Order)

Dated: 29th December, 2025

Quorum:

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

Kondapalli Abdul Razak (Flat No. 102, Sai Srinivasa Nilayam, Madas Ramachandra Colony, Vigneshwara Colony, Swayam Krushi Street, Arka Ellit School Lane, Mallampet, Medchal District-500090)

... Complainant

Versus

RSR Greenway Infra Pvt Ltd (Rep. by its MD, Ramalingam Srikanth Reddy Pati Kolluru, Patancheru, Hyderabad, Sangareddy District-502324)

... Respondent

The above-named Complaint No.97/2025 was instituted by the Complainant before the Telangana Real Estate Regulatory Authority (hereinafter referred to as "the Authority") against the Respondent in relation to the project titled "Rocketry" situated at Pocharam village of Patancheru Mandal of Sanga Reddy District. Upon due adjudication of the said complaint, this Authority, having carefully examined the pleadings, documents, and material placed on record, has recorded detailed findings holding vide order dated:08.10.2025 that the Respondents are in serious and willful breach of Sections 3 and 4 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the RE(R&D) Act, 2016") by undertaking and promoting a real estate project titled Rocketry without securing registration from this Authority.

2. The findings of the Authority in orders dated:08.10.2025 as follows:-

"Section 3(1) of the RE(R&D) Act explicitly prohibits any promoter from advertising, marketing, booking, selling, or offering for sale any plot, apartment or building in a real estate project without first registering the project with the Real Estate Regulatory Authority. In the present case, the documents on record particularly the registered Sale Deed, Memorandum of Understanding (MoU), and payment receipts clearly establish that the

Respondent undertook financial transactions and executed binding agreements with the Complainant for allotment of a specific unit, prior to obtaining mandatory registration.

The Respondent's contention that no booking or promotional activity has not been undertaken, and that registration shall only take place after securing approvals, is devoid of merit. The admitted receipt of substantial sums of money from the Complainant and the execution of documents indicating intention to allot a particular unit demonstrate beyond doubt that the Respondent had commenced activities falling within the ambit of section 3 of RE (R&D) Act, 2016.

It is pertinent to note that the RE(R&D) Act places an unambiguous obligation upon the promoter to obtain prior registration before accepting any form of consideration or entering into any agreement for sale. The submission that registration would follow approvals is neither a valid defence nor a mitigating factor. The regulatory mandate under Section 3(1) is strict and non-derogable. Post-facto justifications cannot cure the statutory infraction.

Furthermore, Section 4(1) of the RE(R&D) Act requires every promoter to submit an application for registration in the prescribed form and manner before initiating any transaction or communication with prospective buyers. There is no material on record to indicate that the Respondent had ever submitted such an application to this Authority. On the contrary, the Respondent proceeded to collect the entire sale consideration and executed formal documents without any effort to comply with the statutory requirement of registration or even obtain necessary approvals from competent authority.

The Respondent's conduct, as revealed through the documents placed on record, indicates a conscious and deliberate pattern of engaging in financial transactions with the Complainant without first securing statutory registration or necessary approvals. This conduct is not merely technical in nature but strikes at the very foundation of the protective

mechanism envisaged under the Act for safeguarding the interests of homebuyers. The execution of a registered Sale Deed and the collection of the full sale consideration, without initiating any actual development on site, exemplify wilful non-compliance and commercial exploitation.

The relevant portion of Section 3(1) of the RE (R&D) Act is extracted below for reference.:

“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.”

Having regard to the foregoing findings, this Authority is of the view that the Respondent has clearly contravened both Section 3(1) and Section 4(1) of the Act. As a direct consequence of such violations, the Respondent is liable for penalty under the penal provisions laid down in the Act. In particular: Section 59(1) provides that: “If any promoter contravenes the provisions of Section 3, he shall be liable to a penalty which may extend up to ten per cent of the estimated cost of the real estate project as determined by the Authority.” (Section 59(1)) Section 60 further provides that: “If any promoter provides false information or contravenes the provisions of Section 4, he shall be liable to a penalty which may extend up to five per cent of the estimated cost of the real estate project as determined by the Authority.” (Section 60)

In light of the above, this Authority concludes that the Respondent’s conduct constitutes a serious and wilful breach of the RE (R&D) Act. The Respondent proceeded to advertise, negotiate, and execute sale agreements as well as collect substantial consideration from the Complainant in respect of an unregistered project, in total disregard of the statutory framework. These actions not only amount to regulatory violations but also undermine

the very objectives of the RE (R&D) Act to ensure transparency, accountability, and protection of the rights of allottees.

Accordingly, Point II is answered in the affirmative. It is held that the Respondent has violated Sections 3 and 4 of the RE (R&D) Act, 2016, by marketing, offering for sale, and executing transaction documents in relation to the unregistered project “Rocketry.” The Respondent is, therefore, held has to be liable for penalty under Sections 59 and 60 of the RE(R&D) Act, and as such the Authority is contemplation to initiate appropriate action for imposition of such penalty in accordance with law”.

Directions of the Authority:

In light of the foregoing observations and findings, and in exercise of the powers conferred under Sections 35, 37 and 38 of **the RE(R&D) Act, 2016**, this Authority hereby issues the following directions:

- a) For violation of the provisions of Sections 3 and 4 of the RE(R&D) Act, 2016, on account of non-registration of the project “Rocketry,” situated at Pocharam village of Patancheru Mandal of Sanga Reddy District the Respondent is held liable for imposition of penalty under Sections 59 and 60 of the RE(R&D) Act, 2016, respectively. Accordingly, the Respondent is directed to pay a penalty of Rs. 22,95,690/- (Rupees Twenty-Two Lakhs Ninety-Five Thousand Six hundred and ninety only) within a period of thirty (30) days from the date of receipt of this Order, in favour of the TGRERA Fund, either by way of Demand Draft or through online transfer to Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.
- b) The Respondent-Promoter shall not advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment, villa or building, as the case may be, in the project “Rocketry” or any part thereof, without first registering the said project with this Authority in accordance with the provisions of the RE(R&D) Act, 2016.
- c) The Respondent is directed to initiate steps for registration of the project “Rocketry” within ten (10) days from the date of this Order, after duly obtaining all requisite

approvals, permissions and sanctions from the competent planning and development control authorities, and to place the same on record before this Authority.

d) The Respondent is hereby informed that failure to comply with the directions issued herein shall attract further penal consequences under Section 63 of the RE(R&D) Act, 2016, without any further notice.

Sd/-

Sri. K. Srinivas 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

