

BEFORE TELANGANA STATE REAL ESTATE REGULATORY AUTHORITY

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

16th Day of May 2025

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

COMPLAINT NO.105 OF 2024

1. Sri M. Prem Kumar
2. Ms. Steffi Vaz
3. Ms. Naziya Firdous
4. Sri Mohd. Naseeruddin
5. Ms. Shaziya Sultana
6. Sri Besi Praveen Kumar
7. Sri B. Pavan Kumar
8. Sri M. Raghu Ram Mahalingam
9. Ms. Aparna Kumari
10. Sri Y. Satyanarayana
11. Sri Ravindra Bandari
12. Sri Jagadeesh Kumar V.
13. Sri Pendyala Kondayya
14. Sri Sandeep Varma
15. Sri B. Naresh Kumar
16. Sri Palli Santosh Kumar
17. Sri Muntimadugu Mahesh Kumar

All Represented by
Sri M. Prem Kumar
R/O H. No. 14-120, Kodandaram nagar, Dilsukhnagar,
Saroornagar, P & T colony, Saroornagar,
Ranga Reddy District, Telangana- 500060

...Complainants

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.130 OF 2024

1. Sri Ramesh Elkaturi
2. Sri Chakradhara Poturaju
3. Sri Prasanna Siddireddy
4. Sri Santosh Kumar Panguluri
5. Sri Syam Sundaram Atukula
6. Sri Mekala Suresh
7. Ms. Peddi Prashanthi
8. Sri Sapelly Kondaiah
9. Sri Sapelly Srikanth
10. Sri Shaik Kabeer
11. Ms. MNV Pallavi
12. Ms. Seshavalli Gayatri Mopidevi
13. Sri Bantu Srikanth
14. Sri Padigela Ravi Kumar
15. Sri Chalumuri Sreenivas
16. Sri Dasarapu Sunil
17. Sri Kanukuntla Gangaiah
18. Sri Boragala Rajendar
19. Ms. Kanakam Rajani
20. Sri Lingamurthy Kyatham
21. Sri Raghavendran Vijayshankar
22. Ms. Divvela Uma
23. Sri Vijay Kumar Matta

All Represented by Sri Ramesh Elkaturi
Flat no. 101, Bommarillu Residency,
Gayatri Nagar Colony, Godavari Homes,
Suchitra, Hyderabad- 500067

...Complainants

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
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2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.135 OF 2024

Smt. Gundala Swarna Manjiri
H.No. 8-2-268/1/7, Srinikethan Colony,
Banjara Hills, Road 3, Hyderabad-500034

...Complainant

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
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Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.137 OF 2024

1. Sri Siddam Reddy Rajini Kantha Reddy
2. Sri Mahesh Jeruganti
3. Sri Guda Surya Prakash Reddy
4. Sri Kandi Naresh
5. Smt. Musunuri Vijaya Durga Bhavani

All Represented by
Sri Siddamreddy Rajinikantha Reddy
Flat no. 101, Bommarillu Residency,
Gayatri Nagar Colony, Godavari Homes,
Suchitra, Hyderabad- 500067

...Complainants

Versus

1. M/s Bhuvanteza Infrastructures LLP,
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Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
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H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.200 OF 2024

1. Sri Yugendar Macharla
2. Ms. Tumathi Sindhu
3. Sri G. Ramesy
4. Sri V. Hari Krishna
5. Sri Lokender Singh
6. Ms. Prathyusha Engati
7. Ms. Namrata Shalini
8. Sri C. Krishna Teja
9. Sri C. Nishanth
10. Sri Shubham.G
11. Ms.L. Nirmala
12. Sri Roshan Zameer

All Represented by
Yugender Macharla
H.No.50, Laharijade residenza, Bhanoor,
Mdl. Patancheru. Dist: Sangareddy. TS 502305

...Complainants

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.202 OF 2024

Ms. Ejanthkar Varsha
Villa no 180, Sark Garden Villa
Mokila- Shankar Pally Mandal
Ranga Reddy District- PIN NO 501203

...Complainant

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072

2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.203 OF 2024

Ms. Uma Maheswari P
H.No. 1-4-27-72/28, Padmashali Colony,
Kavadiguda, secunderabad-500080

...Complainant

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.204 OF 2024

Ms. Shabnam Jabeen
Flat 204, Sourya Soudha Apartments,
KPHB Phase 6, KPHB, Hyderabad-500085

...Complainant

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,

- Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

COMPLAINT NO.205 OF 2024

Sri Honey Babu Rao
Flat 204, Sourya Soudha Apartments,
KPHB Phase 6, KPHB, Hyderabad-500085

...Complainant

Versus

1. M/s Bhuvanteza Infrastructures LLP,
represented through its Authorised Representative,
Sri Chekka Venkata Subramanyam
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
Malaysia Township, Near Club House,
Kukatpally, Hyderabad-500072
2. Sri Chekka Bhagyalaxmi
H. No. 15-31, RTP-1, Flat No. 406, Rain Tree Park,
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Kukatpally, Hyderabad-500072
3. Sri K Balaji
K.Balaji, plot No.73, western Homes, Phase II,
Kavuri Hills, Jubilee Hills, Hyderabad.

...Respondents

The present Complaint Nos.105/2024, 130/2024, 135/2024 and 137/2024 filed by the Complainants above-named came up for final hearing on 18.12.2024 and whereas the Complaint Nos.200/2024, 202/2024, 203/2024, 204/2024 & 205/2024 came up for final hearing on 23.01.2025 before this Authority in the presence of Complainants in person and Respondent No.3 in person, and none for the remaining Respondent Nos.1 & 2 despite service of notice who entered appearance through Counsel, Sri V.M.N.S. Prasad, Sri U. Narendra and Sri Govind Narayana Swami in Complaint No.105/2024, and upon hearing the arguments, this Authority passes the following **ORDER:**

2. The present Complaints have 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 directions to the Respondents.

A. Brief facts of the case:

3. The Complainants in Complaint No.105/2024 also made Sri Potturu Rama Kumar as Respondent No.4 along with Respondents No. 1-3, however as the Complainants therein failed to give appropriate address, notice was not served. Thereafter, as per Complainants' request, said Respondent No.4, Sri Potturu Rama Kumar has been deleted from the array of parties in the Complaint No.105/2024.

4. The Complainants submitted that they entered into un-registered Agreements of Sale with the Respondent Nos.1 & 2 for the purchase of a flat in the project named "Aura (VELIMALA)", located at Velimala Village & (G.P), Ramachandrapuram Mandal, Sanga Reddy district, Telangana. That as per the agreement, the possession of the flat was to be handed over by December 2023, however, despite the commitment made in the agreement, the construction of the project had been significantly delayed and as of 19.06.2024, the Project was only 20% (twenty percent) completed.

5. The Complainants have made several attempts to communicate with the Respondents regarding the delay, yet there was no response or have been provided vague and non-committal responses. The Complainants further submitted that the delay in possession has caused severe financial hardship as they were burdened with paying both the rent for current residence and the EMI for the home loan taken for this flat. Additionally, the uncertainty and repeated delays have caused significant mental distress.

6. It was submitted that the Respondent Nos.1 & 2 may be diverting funds collected from new buyers to other projects, which was evident from the ongoing marketing and sales activities for the unsold flats in the same project. That such diversion of funds is likely contributing to the delay in the completion of the project and is against the interests of existing buyers. When Complainants visited the site location multiple times, it was observed that in this project flats with slab and side walls up to two floors on A-Block and B-Block did not start till date.

7. It was submitted that the Respondent Nos.1 & 2 agreed in the respective agreement of sale that if Respondent No.1 failed to deliver the project by Dec 2023, they shall pay the rent from next month onwards i.e. January 2024 to the allottees

till the handing over of the flat. However, despite multiple reminders, there was no response from Respondent No.1 in this regard.

8. It was also submitted that as the Respondents have not registered the land in favour of the Complainants herein and hence, they were concerned that the Respondents may sell the project land to other buyers without any notice. They added that the delay in obtaining HMDA approval for other blocks and failure to apply for RERA registration (more than three years after the commencement of the project or sale of the apartments) also raises concerns about possible irregularities with respect to the Respondents' lands and means involved.

B. Relief sought:

9. Aggrieved by the actions of the Respondents, the Complainants prayed for the following:

- i. Direct the respondent to complete the construction and, handover possession of the flat within a stipulated time frame.
- ii. Refund the amount paid along with interest if the respondent fails to complete the project within the stipulated time.
- iii. Rectify any defects in the construction as per the agreed specifications.

C. Counter on behalf of Respondent No.3

10. On 15.10.2024, Respondent No.3 filed reply submitting that originally, the Respondent No.3 was the absolute owner and possessor of land admeasuring Ac. 0-16 Gts., along with H.No. 6-56/1 admeasuring 214 Sq. Yds., situated in Sy. Nos. 213/P and 214 of Velimela Village, Ramchandrapuram Mandal, Sangareddy District. That in the year 2020 and 2021, Respondent No.3 had alienated the said land in favour of Respondent No.1 through the execution of registered SGPA and sale deeds at SRO Sangareddy, thereby transferring all rights, title, and interest in the property to the purchaser.

11. That subsequent to the said sale, Respondent No.3 does not have any legal or beneficial interest in the subject land, either directly or indirectly. The transaction concluded through the registered sale deeds and all rights over the property in question have been duly transferred to the Respondent No.1. He further submitted that Respondent No.1 had undertaken a project for the construction of residential

flats on the said property. Respondent No.3 is not privy to the terms and conditions under which Respondent No.1 executed agreements with prospective purchasers, nor does Respondent No.3 hold any knowledge of the subsequent developments or transactions concerning the said project.

12. It was also submitted that the claims raised in the complaint filed before this Authority pertain to allegations against Respondent No.1, particularly concerning their default in delivering possession of residential flats. That Respondent No.3 has no role, liability, or association with the operations, agreements, or defaults of Respondent No.1, nor does Respondent No.3 have any contractual or legal relationship with any of the parties involved in the complaint.

13. He submitted that Respondent No.3's inclusion as a party respondent to the complaint appears to be a case of misjoinder. The complaint against Respondent No.3 seems to be based solely on his historical ownership of the land, which he had lawfully sold several years prior to the initiation of the present dispute. That he is in no way connected to the subject matter of the dispute concerning the delivery of flats, agreements for sale, or any other obligations related to the project undertaken by Respondent No.1. Accordingly, he prayed to dismiss the Complaint against him.

D. Points for consideration:

14. In deliberation of the above-stated facts and the documents filed in support of their contention, the following issues sprout for consideration:

- I. Whether the Respondents have violated Sections 3 & 4 of the Act, 2016 by not registering the Project – “Aura Velimala” with this Authority and whether they are liable for punishment under Sections 59 & 60 thereof?
- II. Whether the Complainants are entitled for the reliefs as prayed for? If yes, to what extent?

E. Observations of the Authority

Point I

15. Upon comprehensive examination of the material on record and having regard to the submissions made, this Authority is of the considered view that Respondent Nos. 1 and 2 are liable under Section 3(1) of the Real Estate (Regulation and Development) Act, 2016 (“the Act”) for undertaking a real estate project without obtaining mandatory registration with this Authority.

16. It is evident from the documents filed by the Complainants that M/s Bhuvanteza Infrastructures LLP, represented by Smt. Chekka Bhagya Laxmi, obtained two permissions from the Hyderabad Metropolitan Development Authority (HMDA) for development of a residential project, details of which are as follows:

1. Application No. 044288/ZOA/R1/U6/HMDA/18032021 dated 18.03.2021 – for a residential building comprising 1 cellar + 1 ground + 5 upper floors in Survey Nos. 212/P, 214/P & 215/P, Velimala-ORRG Village, Ramchandrapuram Mandal, Sangareddy District, over an extent of 3,954.39 sq. mts. technical approval was accorded on 06.07.2023.
2. Application No. 046028/ZOA/R1/U6/HMDA/27052021 dated 27.05.2021 – for a similar residential development in Survey Nos. 212/P, 213/P & 214/P of the same village and mandal, spread across 3,358.76 sq. mts.

17. These two HMDA permissions, individually as well as cumulatively (covering over 7,300 square metres), clearly satisfy the threshold stipulated under Section 3(2) of the said Act, which mandates that any real estate project exceeding 500 square metres in area or involving more than 8 apartments must be registered with the Real Estate Regulatory Authority before any form of marketing, advertisement, booking, or sale is undertaken. Section 3(1) of the Act states 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.”

18. In the instant case, Respondent Nos. 1 and 2, despite having obtained statutory approvals and permissions for substantial residential development, proceeded to advertise, market, and enter into agreements of sale with various buyers without registering the project, now identified as “Aura Velimala Phase-1”, with this Authority. Without having obtained registration under Section 3, the Respondent Nos.1 & 2 could not have executed the agreements of sale with the Complainants which constitutes a glaring violation of Sections 3.

19. The execution of unregistered agreements of sale and acceptance of substantial amounts from homebuyers is established through the documents submitted by the Complainants, which further affirms that the project falls undisputedly within the ambit of Section 3.

20. Furthermore, Section 4(1) of the Act obligates every promoter to submit a formal application to the Authority for registration of the project in a prescribed form and manner prior to initiating any transaction or communication with prospective buyers. There is no material on record to indicate that such an application was ever made by Respondent Nos. 1 and 2. The absence of such application coupled with actual execution of sale agreements clearly shows wilful non-compliance.

21. The Respondent's plea that certain statutory approvals were pending or that registration was in process, cannot serve as a legal justification for such non-compliance. The Act makes no exception for provisional or pending applications; the prohibition under Section 3(1) is absolute and unequivocal.

22. This Authority also takes judicial note of the Respondent's conduct across multiple projects within its jurisdiction. In numerous cases involving similarly situated allottees, the Respondent has habitually indulged in the practice of undertaking real estate development without obtaining registration, thereby defeating the very object and purpose of the Act. The repetitive and conscious pattern of non-compliance evinces deliberate disregard for the statutory mandate and regulatory framework, and undermines the rights and entitlements of homebuyers.

23. In view of the foregoing, this Authority holds that Respondent Nos. 1 and 2 have violated Sections 3 and 4 of the Act, 2016, by initiating marketing and sale of units in the project "Aura Velimala Phase-1" without securing the mandatory registration. Accordingly, the Respondents are liable for penalty under Sections 59 and 60 of the RE (R&D) Act, 2016. These provisions explicitly state 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))

"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)

24. The contraventions in question are not minor or technical, but go to the root of the regulatory framework designed to ensure fairness, transparency, and protection of the allottees in the real estate sector.

25. However, with respect to the liability of Respondent No.3, it is evident from the counter submitted by him that he is merely an individual who had transferred the land upon which the present project is being undertaken by Respondent Nos.1 and 2. Upon the absolute and complete alienation of his rights and title in the said land to Respondent Nos.1 and 2, no residual, direct, or vested interest subsists in favour of Respondent No.3. Consequently, he cannot be held liable for any wrongful acts or omissions attributable to Respondent Nos.1 and 2.

26. Therefore, Point I is answered in affirmative, and it is held that the Respondent Nos.1 & 2 have violated Sections 3 & 4 by selling, marketing and advertising without registering the Project “Aura Velimala Phase – 1” with RERA and hence they are jointly liable for penalty under Sections 59 & 60, respectively.

Point II

27. Now, this Authority proceeds to examine whether the Complainants are entitled to relief under the applicable provisions of the Real Estate (Regulation and Development) Act, 2016 (“the Act”). The following table shown is for the ease of understanding the facts:

S.No.	Complaint No.	Complainant name	Amount paid (Rs.)	Agreement of Sale date
1.	105/2024	Sri M. Prem Kumar	20,00,000	26.08.2021
2.	105/2024	Ms. Steffi Vaz	9,00,000	28.06.2021
3.	105/2024	Ms. Naziya Firdous & Sri Mohd. Naseeruddin	40,92,000	MOU 19.07.2022/ AoS 13.02.2022
4.	105/2024	Ms. Shaziya Sultana	33,68,000	05.11.2021
5.	105/2024	Sri Besi Praveen Kumar	21,73,500	15.05.2023
6.	105/2024	Sri B. Pavan Kumar	28,50,000	15.09.2021
7.	105/2024	Sri M. Raghu Ram Mahalingam	11,00,000	20.02.2021
8.	105/2024	Ms. Aparna Kumari	12,50,000	05.10.2021
9.	105/2024	Sri Y. Satyanarayana	20,00,000	13.04.2021
10.	105/2024	Sri Ravindra Bandari	33,16,000	24.11.2021
11.	105/2024	Sri Jagadeesh Kumar V.	35,10,000	05.11.2021
12.	105/2024	Sri Pendyala Kondayya	14,00,000	24.11.2021
13.	105/2024	Sri Sandeep Varma	6,00,000	20.12.2021
14.	105/2024	Sri B. Naresh Kumar	32,24,000	27.10.2021
15.	105/2024	Sri Palli Santosh Kumar	17,00,000	26.01.2022
16.	105/2024	Sri Muntimadugu Mahesh Kumar	34,75,000	24.11.2021
17.	130/2024	Sri Ramesh Elkaturi	10,00,000	28.06.2021
18.	130/2024	Sri Chakradhara Poturaju	41,00,000	04.08.2021

19.	130/2024	Sri Prasanna Siddireddy	40,00,000	20.09.2021
20.	130/2024	Sri Santosh Kumar Panguluri	7,00,000	26.02.2022
21.	130/2024	Sri Syam Sundaram Atukula	7,00,000	09.11.2021
22.	130/2024	Sri Mekala Suresh	11,00,000	11.12.2021
23.	130/2024	Ms. Peddi Prashanthi	7,00,000	10.10.2021
24.	130/2024	Sri Sapelly Kondaiah	32,00,000	22.01.2022
25.	130/2024	Sri Sapelly Kondaiah	28,08,000	26.12.2021
26.	130/2024	Sri Sapelly Srikanth	29,13,116	22.01.2022
27.	130/2024	Sri Shaik Kabeer	18,97,600	05.01.2021
28.	130/2024	Ms. MNV Pallavi	6,00,000	04.10.2021
29.	130/2024	Ms. Seshavalli Gayatri Mopidevi	6,00,000	04.10.2021
30.	130/2024	Sri Bantu Srikanth	34,50,000	01.10.2023
31.	130/2024	Sri Padigela Ravi Kumar	33,10,000	07.04.2021
32.	130/2024	Sri Chalumuri Sreenivas	26,00,000	08.03.2021
33.	130/2024	Sri Dasarapu Sunil	30,50,000	28.06.2021
34.	130/2024	Sri Kanukuntla Gangaiah	8,20,000	28.06.2021
35.	130/2024	Sri Boragala Rajendar	8,20,000	28.06.2021
36.	130/2024	Ms. Kanakam Rajani	10,00,000	02.10.2023
37.	130/2024	Sri Lingamurthy Kyatham	51,00,000	31.03.2023
38.	130/2024	Sri Raghavendran Vijayshankar	34,15,500	17.04.2023
39.	130/2024	Ms. Divvela Uma	30,00,000	26.02.2022
40.	130/2024	Sri Vijay Kumar Matta	44,00,000	18.12.2021
41.	135/2024	Smt. Gundala Swarna Manjiri	34,50,000	29.08.2021
42.	137/2024	Sri Siddam Reddy Rajini Kantha Reddy	52,00,000	06.03.2021
43.	137/2024	Sri Mahesh Jeruganti	42,50,000	06.03.2021
44.	137/2024	Sri Guda Surya Prakash Reddy	32,50,000	06.03.2021
45.	137/2024	Sri Kandi Naresh	32,50,000	06.03.2021
46.	137/2024	Smt. Musunuri Vijaya Durga Bhavani	42,50,000	06.03.2021
47.	200/2024	Sri Yugendar Macharla	33,18,000	09.10.2021
48.	200/2024	Ms. Tumathi Sindhu	13,00,000	17.03.2021
49.	200/2024	Sri G. Ramesh	25,50,000	26.10.2021
50.	200/2024	Sri V. Hari Krishna	33,80,000	27.07.2021
51.	200/2024	Sri Lokender Singh	32,89,000	10.05.2023
52.	200/2024	Ms. Prathyusha Engati	32,89,000	10.03.2023
53.	200/2024	Ms. Namrata Shalini	3,30,600	Sale deed 05.08.2020
54.	200/2024	Sri C. Krishna Teja	12,00,000	08.09.2021
55.	200/2024	Sri C. Nishanth	12,48,000	08.09.2021
56.	200/2024	Sri Shubham. G	20,00,000	06.03.2022
57.	200/2024	Ms. L. Nirmala	30,00,000	12.07.2021
58.	200/2024	Sri Roshan Zameer	7,40,000	08.09.2021
59.	202/2024	Ms. Ejanthkar Varsha	34,00,000	05.10.2021
60.	203/2024	Ms. Uma Maheswari P	34,00,000	05.10.2021
61.	204/2024	Ms. Shabnam Jabeen	10,00,000	26.02.2022
62.	205/2024	Sri Honey Babu Rao	10,00,000	26.02.2022

28. The record clearly establishes that Respondent Nos. 1 and 2 entered into Agreements of sale with the respective Complainants for the purchase of residential flats in the project titled “Aura Velimala Phase-1”, located at Velimala Village, Ramachandrapuram Mandal, Sangareddy District, Telangana. As per the terms of these agreements, the Respondents had undertaken to complete the construction and hand over possession of the flats by December 2023.

29. However, despite the passage of significant time since the execution of these agreements, many of which were executed between the years 2021 and 2023, the Respondents have neither completed the project nor handed over possession of the apartments to the respective allottees. As of the date of filing of this complaint, the status of the project remains grossly incomplete, with construction having progressed to only about 20%, as noted by the Complainants and undisputed by the Respondents.

30. This factual condition brings into clear operation the provisions of Section 18(1) of the Act, which reads as follows:

“If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act.”

31. The legislative intent behind this provision is clear i.e., where a promoter fails to honour their contractual obligation of timely delivery of possession, the allottee is entitled to seek refund of the entire amount paid, along with statutory interest as prescribed under the Rules.

32. In the present case, the default of the Respondents is not only evident but also aggravated by their failure to take corrective steps, despite multiple reminders and representations from the Complainants. The Authority finds that the Respondents have failed to show any bona fide or justifiable reason for the

substantial delay in construction, especially considering that nearly three years have passed since the commencement of the project and yet only a fraction of the work stands completed.

33. It is further noted that the Respondents did not demonstrate any firm commitment or actionable roadmap for the completion of the project. The absence of substantial progress even after the agreed delivery date has elapsed, coupled with vague or evasive responses to the Complainants, reinforces the conclusion that the Respondents are unable to fulfil their obligations under the agreement of sale.

34. In the light of the material available on record, it is evident that the Respondents collected substantial amounts from the Complainants even before securing the requisite building permissions from the Hyderabad Metropolitan Development Authority (HMDA). This act of raising funds in the absence of statutory approvals is a serious deviation from the expected conduct of a promoter under the regulatory framework of the RE (R&D) Act, 2016.

35. Despite receiving considerable sums from the allottees, the construction of the project remains stagnated at a mere 20%, with no substantial progress reported even after lapse of time since the execution of the Agreements of Sale. In such a scenario, the allottees cannot be made to wait indefinitely for possession, particularly when there is no clarity or commitment from the Respondent regarding the completion timeline, thereby justifying the Complainants' entitlement to refund as per relief (2) under Section 18(1)(a) of the Act.

36. Regarding reliefs, (1) & (3), the Complainants categorically submitted that the Respondent Nos.1 & 2 are embroiled in several criminal cases on account of complaints filed against him for siphoning funds and is not available to complete the construction and handover the allotted apartments to them. In view of the same, this Authority is of the considered opinion that the Complainants are entitled to their relief of seeking refund from Respondent Nos.1 & 2, who are jointly liable to refund the amounts paid by the Complainants along with interest in accordance with Rule 15 of the Rules, 2017.

37. Therefore, Point II is answered in affirmative and the Complainants are entitled to refund in accordance with Section 18 of the Act, 2016.

E. Directions of the Authority

38. In exercise of its powers under Section 37 , this Authority issues the following directions:

- a. Respondent Nos.1 & 2 are jointly and severally liable to pay penalty of Rs. 14,91,958/- towards violation of Sections 3 & 4 for non-registration of the Project – “**Aura Velimala Phase – 1**” payable within 30 (thirty) days payable within 30 days in favour of TG RERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036; and
- b. Respondent Nos.1 & 2 are jointly and severally liable to refund the amounts as mentioned in the table at Para 27 to the Complainants along with interest at the rate of 11.0% per annum (SBI MCLR of 9.0% + 2%) from the date of the respective agreement of sale of the Complainant till the date of actual refund in accordance with Rule 15 of the Rules, 2017 within 30 (thirty) days; and
- c. The Respondent Nos.1 & 2 are hereby directed to take steps to file an application for registration of the Project – “Aura Velimala Phase - 1” before this Authority in accordance with Section 4 of the Act, 2016 and the Rules thereunder with immediate effect and till the registration is granted by this Authority, the Respondent shall, strictly, not advertise, market, book, sell or offer for sale, or invite person/s to purchase in any manner any units of the said Project – “Aura Velimala Phase - 1”.
- d. Failing to comply with the above said directions by the Respondent Nos.1 & 2 shall attract penalty in accordance with Section 63 of the Act, 2016.

39. The Complaints are disposed of in lieu of the above directions. 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