

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 43 of 2025

19th November 2025

Quorum:

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

Smt. Vodela Annapurna

*(W/o. Vodela Rajeshwar, Aged about: 52 years
Occ: Home Maker, R/o. 3-4-11, Tilak Road,
Sadashivpet, Medak, Telangana - 502291)*

... Complainant

Versus

1. M/s. SSL Infra Developers

*(H.No. 8-3-1007/A, Flat No. 201 & 301,
NR United Splendour, Opp. Indian Bank,
Srinagar Colony, Hyderabad - 500073)*

2. Mr. Sivapuram Surender Kumar

*(Rep by its managing partner
S/o. Seetha Ramaiah, Age: 45 years,
Occ: Business, R/o. H.No. 8-3-1007/A,
Flat No. 201 & 301, NR United Splendour,
Opp. Indian Bank, Srinagar Colony,
Hyderabad - 500073)*

... Respondents

The present matter filed by the Complainant herein came up for hearing on 17.07.2025 before this Authority. The Counsel for the Complainant, Sri B. Shanker, and the Counsel for Respondent No. 1 and 2, Sri T. Santhosh Sagar Krishna, were present in person before this Authority, and after hearing the submission made by both the parties, this Authority 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 "RE (R&D) Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "TG RE (R&D) Rules") seeking appropriate relief(s) against the Respondents.

A. Brief facts of the case:

3. The Complainant submitted that the Respondent No. 1 and 2 made wide publicity through local newspapers, pamphlets, websites, and other means for the marketing and sale of organic farm land with a Nest Resort at Budera Village, Sadhashivpet, situated on the Hyderabad-Mumbai National Highway. In such publicity, the Respondent No. 1 and 2 offered several facilities in the project named “Peacock Avenue” along with a Resort under the name and style “Our Nest,” further representing themselves as reputed builders and developers engaged in construction of apartments admeasuring 5 acres, independent houses admeasuring 7 acres, farm lands admeasuring 600 acres, 1000 commercial complexes, 350 simplex houses, 150 open plots, 500 shops, etc.

4. The Complainant stated that, with respect to “Peacock Avenue,” the Respondent No. 1 and 2 introduced different categories to attract customers by assuring organic farm lease income. Specifically, for 50 Acres Customers, the Respondent No. 1 and 2 publicized a scheme of “100 months Organic Lease Income for each and every unit” along with a “Buy Back Double Amount after 8 years.”

Guntas	Sq.yds	Price Per Sq.yd	Total Price	Booking Amount	Balance Within 15 days	Organic Farm Lease Income
1	121	3500	4,23,500	1,00,000	3,23,500	4,000
2	242	3500	8,47,000	2,00,000	6,47,000	8,000
3	363	3500	12,70,000	3,00,000	9,70,500	12,000
4	484	3500	16,94,000	4,00,000	12,94,000	16,000
5	605	3500	21,17,000	5,00,000	16,17,500	21,000

5. Accordingly, the Respondent No. 1 and 2 offered various price options to customers under the project, namely: Option A - ₹3,499/- per sq. yd. (within 15 days), Option B - ₹3,749/- per sq. yd. (within 45 days), Option C - ₹3,999/- per sq. yd. (within 60 days), and an EMI Option - ₹4,499/- per sq. yd. (within 36 months). The Respondent No. 1 and 2 further lured customers by projecting extraordinary income from Shree Gandam Hardwood and publicized pictures showing a cheque issued by M/s. Karnataka Soaps and Detergents Ltd. to one investor, Mr. Adikeshavula Naidu, for an amount of ₹63,73,121/- (Rupees Sixty-Three Lakhs Seventy-Three Thousand One Hundred and Twenty-One Only).

6. The Complainant being influenced by the above advertisements and representations, he joined the Respondent No. 1 and 2 scheme, wherein the Respondent No. 1 and 2 insisted on entering into an Agreement of Sale by paying an advance. Accordingly, on 31-05-2021, the Complainant paid a sum of ₹16,00,000/- (Rupees Sixteen Lakhs Only) towards advance sale consideration for the purchase of 4 Guntas of land in Survey No. 224/A, against a total sale consideration of ₹16,94,000/-. As per the commitments of the Respondent No. 1 and 2, the registration charges for the sale transaction were to be borne by Respondent No.1. The Complainant submits that, on 16-06-2021, Respondent No.1 executed a Sale Deed in his favor by showing a merger amount of ₹10,000/- (Rupees Ten Thousand Only) as total sale consideration towards the agricultural land admeasuring 0.0400 acres (4 guntas) in Thummalapalle Village, Marpalle Mandal, Vikarabad District.

7. In continuation of the Sale Deed, on 21-06-2021, the Respondent No. 1 and 2 executed a Lease Deed and Memorandum of Understanding (MOU) with respect to plantation of sandalwood trees in the Scheduled Property. Furthermore, as per the Lease Deed, the Respondent No. 1 and 2 agreed to pay a lease amount of ₹1,92,000/- (Rupees One Lakh Ninety-Two Thousand Only) for a period of 100 months from 01-06-2021 to 01-10-2029, with payments due on or before the 10th of June each year. Though the Respondent No. 1 and 2 initially paid lease amounts from July 2021 to July 2023, they failed to pay from August 2023 onwards. Moreover, the Complainant submits that, despite repeated visits to the Respondent No. 1 and 2 office, sending reminders through WhatsApp, and making oral demands, the Respondent No. 1 and 2 neither paid the lease amount nor responded. Upon further inquiry, the Complainant discovered that, under the guise of organic cultivation and through attractive advertisements and skilful marketing, the Respondent No. 1 and 2 have been duping innocent citizens as well as the State Exchequer.

8. The Complainant further stated that, upon visiting the Scheduled Property, he found no development as promised by the Respondent No. 1 and 2. Instead, only a few guava and lemon trees were planted, making it impossible to generate an annual lease income of ₹1,92,000/-. By showing false farm lease incomes amounting to ₹16,00,000/- (Rupees Sixteen Lakhs Only), the Respondent No. 1 and 2 have been exploiting innocent citizens. While so the Complainant states that the Respondent No. 1 and 2 cheated the State Government by not paying actual registration charges and stamp duty

on the true sale consideration of ₹16,94,000/- (Rupees Sixteen Lakhs Ninety-Four Thousand Only). Instead, they paid a nominal amount by showing the sale consideration as ₹10,000/- (Rupees Ten Thousand Only). The Respondent No. 1 and 2 are thus liable for prosecution under relevant penal provisions of the Bharatiya Nyaya Sanhita (formerly Indian Penal Code). Their modus operandi involves systematically cheating the State Exchequer in respect of plots, flats, and villas in various projects, causing losses running into hundreds of crores.

9. Additionally, upon further inquiry, he found that the Respondent No. 1 and 2 advertisements were fabricated and misleading. The Respondent No. 1 and 2 are engaged in continuous illegal activities, depriving the State Government of rightful stamp duty and registration charges, not only in his case but also in respect of thousands of investors. Therefore, the Respondent No. 1 and 2 are liable for prosecution by the Vigilance Commissioner, the State of Telangana, the Registration Department, and also by the Police. The Complainant reserves his right to lodge complaints with the concerned authorities. The Complainant further submits that, being left with no alternative, he issued a legal notice to the Respondent No. 1 and 2 on 30-09-2024. The said notice was duly served on the Respondent No. 1 and 2. Even after service, the Respondent No. 1 and 2 failed to reply, but transferred one month's rent of ₹16,000/- (Rupees Sixteen Thousand Only) to the Complainant's account.

10. The Complainant submits that the Respondent No. 1 and 2 have contravened provisions of the Real Estate (Regulation and Development) Act, 2016 as follows:

- i. By violating Section 3, in as much as the Respondent No. 1 and 2 failed to register the real estate project with the Real Estate Regulatory Authority, Telangana.
- ii. By violating Section 11, in as much as the Respondent No. 1 and 2 failed to create a webpage, maintain a website, or upload details of the transactions.
- iii. By violating Section 12, by misrepresenting and selling the property to the Complainant.
- iv. By falsely advertising extraordinary income from Sreegandham in an extent of 4 guntas, including fabricated pictures showing an investor receiving a cheque of ₹63,73,121/- (Rupees Sixty-Three Lakhs Seventy-Three Thousand One Hundred and Twenty-One Only), which is fake and misleading.

- v. By cheating both the Complainant and the State Exchequer, inasmuch as the sale of 4 guntas was agreed for ₹16,94,000/- (Rupees Sixteen Lakhs Ninety-Four Thousand Only), while registering the Sale Deed only for ₹10,000/- (Rupees Ten Thousand Only), thereby depriving the State of due registration charges and stamp duty.

B. Relief(s) Sought:

11. In light of the aforementioned facts and circumstances, the Complainant humbly prays for the following reliefs:

- a. To direct the Respondent No. 1 and 2 to return the amount of Rs.16,94,000/- (Rupees Sixteen Lakhs Ninety-Four Thousand only) to the Complainant along with the interest of 18 % per annum from the date of execution of the Agreement of Sale till the payment of full amount.
- b. To direct the Respondent No. 1 and 2 to deposit past and future monthly rents @ Rs.16,000/- per month from August 2023 onwards pending the proceedings.

C. Counter filed by Respondent No. 1 and 2:

12. The Respondent No. 1 and 2 state that the present complaint filed under Section 31 of the RE(R&D) Act is not maintainable as the subject lands are agricultural land which does not fall within the ambit of the Real Estate (Regulation and Development) Act, 2016. Hence, this Hon'ble Authority has no jurisdiction to entertain the complaint.

13. The Respondent No. 1 and 2 state that the Complainant purchased agricultural land under Sale Deed No.1516/2021 dated 19-06-2021 registered at Marpalle, Vikarabad District, and the mutation was duly carried out with an Electronic Pattadar Passbook issued in her name. This itself establishes that the property in question is an agricultural. The Respondent No. 1 and 2 state that sale of agricultural land does not attract the provisions of RERA. Section 2(zn) defining "real estate project" excludes agricultural land and therefore the complaint is liable to be dismissed at the threshold.

14. The Respondent No. 1 and 2 state that the Lease Agreement dated 21-06-2021 also clearly records the agricultural nature of the land, intended for plantation purposes. Substantial lease rent of ₹3,04,000/- has already been paid to the Complainant for 26 months, covering nearly one-fourth of her sale consideration. Moreover, The Respondent No. 1 and 2 state that the grievance of non-payment of further lease rent

lies within the jurisdiction of the civil court or rent controller, but not before this Authority. The present complaint is a vexatious litigation filed only to harass the Respondent No. 1 and 2.

15. The Respondent No. 1 and 2 state that under Section 3 of RERA only projects involving plots, flats, apartments, or layouts in planning areas require registration. Sale of agricultural land without layout approval is incapable of registration and hence cannot be brought under RERA. The Respondent No. 1 and 2 states that this is the second complaint filed by the Complainant on the same cause of action. Earlier, CCP No.9/2025 is pending before this Hon'ble Authority wherein compensation of ₹10,22,000/- is claimed. Filing the present complaint without disclosure of the earlier proceedings violates Order II Rule 2 CPC and amounts to abuse of process.

16. The Respondent No. 1 and 2 state that the allegations of advertisements, false promises, and stamp duty evasion are all denied. The Complainant is put to strict proof. The responsibility to disclose true consideration and pay appropriate stamp duty lies with the purchaser, not with the vendor. The Respondent No. 1 and 2 state that there is no violation of Sections 3, 11, or 12 of the RERA Act as alleged. These provisions are inapplicable to agricultural land transactions. Hence, no relief can be claimed under the Act.

17. The Respondent No. 1 and 2 state that the Complainant has falsely declared that no other case is pending on the same cause of action, thereby committing perjury. The Respondent No. 1 and 2 state that the Hon'ble High Court in Mohammed Zain Khan v. Emnoy Properties India Ltd., Second Appeal No.209/2022, has categorically held that sale of agricultural land does not fall under RERA and authorities under the Act lack jurisdiction.

D. Observation of the Authority:

18. This Authority has carefully examined the pleadings, documents, and submissions placed on record. It is not in dispute that Respondent Nos. 1 and 2 undertook extensive promotional activities relating to a project styled as "Peacock Avenue." The Complainant purchased land admeasuring Ac. 0.04 guntas in the said project, bearing Plot No. 3021, situated in Survey No. 224/A/2/1/2, Thummanapalli Village, Marpalle Mandal, Vikarabad District, through a registered Sale Deed (Doc. No.

1516/2021, dated 16.06.2021) for a total sale consideration of ₹16,94,000/-, which stands fully paid.

19. The Complainant has submitted that although agricultural land per se does not fall within the ambit of the Real Estate (Regulation and Development) Act, 2016, the position materially changes once such land is developed into a plotted layout and offered for sale. It is asserted that the Respondents have carved out agricultural land into plots and developed it with 30-feet and 40-feet internal roads, thereby squarely attracting the statutory definition of a “real estate project.” The designation of the land as “farm land” is alleged to be a mere nomenclature, not reflective of the actual nature of the development.

20. Conversely, Respondent Nos. 1 and 2 contend that the transaction pertains to agricultural land, which has been sold as such under the registered Sale Deed. They rely upon the issuance of the Pattadar Passbook to the Complainant and the description of the land in the Sale Deed to argue that the Act does not apply. Their defence is premised entirely on the description of the land rather than on the nature of activities undertaken.

21. For ease of reference, the definition of "real estate project" under Section 2(zn) of the Real Estate (Regulation and Development) Act, 2016 reads as follows:

"real estate project" means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartment, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto"

As per definition under Section 2(s) of RE(R&D) Act, 2016 "Development" means carrying out the Development of Immovable Property, Engineering or Other operations in, on, or, over under the land or making of any material change in any immovable property or land and including redevelopment.

Section 2(s) of the RE(R&D) Act, 2016 provides that:

(s) “development” with its grammatical variations and cognate expressions, means carrying out the development of immovable property, engineering or other operations in, on, over or under the land or the making of any material change in any immovable property or land and includes re development;

Section 2(t) of the RE(R&D) Act, 2016 further provides that:

(t) “development works” means the external development works and internal development works on immovable property.

22. A combined reading of these provisions leaves no room for ambiguity: the moment land is converted into saleable plots through any developmental activity, the venture becomes a “real estate project” under the RE(R&D) Act, 2016.

23. The record reflects that land admeasuring Ac. 340.00, along with an additional Ac. 20.00, was developed into 88 plots, far exceeding the statutory threshold requiring registration under Section 3 of the RE(R&D) Act, 2016.

24. As per the Memorandum of Understanding dated 21.06.2021, the subject property comprising Plot No. 3021 admeasuring 484 sq. yds. (4 guntas) was marketed as part of a plotted layout with plot sizes ranging from 121 sq. yds. to 605 sq. yds. This evidences a systematic plotted development, inconsistent with the notion of mere agricultural sale.

25. The brochure issued by the Respondents goes far beyond agricultural land marketing. It advertises an elaborate resort-based development, including:

- a) Telescopic tower house, skywalk
- b) 18 cottages, main block, reception block
- c) residential and royal suite rooms
- d) shopping area, banquet hall, multicuisine restaurant
- e) gym, indoor/outdoor swimming pools
- f) sports facilities (cricket, volleyball, basketball, TT)
- g) yoga hall, jogging track, children’s play area
- h) open party lawn, mini banquet hall, A/C dormitory

Such extensive amenity representation is wholly inconsistent with a mere agricultural sale and unequivocally constitutes promotional activity of a real estate project.

26. Upon observing these materials, this Authority issued a Show Cause Notice dated 24.07.2025 under Sections 3 and 4 of the Act. In response, the Respondents merely reiterated their earlier assertions, without addressing the substantial material indicating plotted development. The Agreement of Sale executed by the Respondents further records that the Vendor has divided the land into plots, reinforcing that plotted development had indeed occurred.

27. A holistic assessment of the Respondents' conduct layout formation, plotting, development of internal roads, offering amenities, circulating brochures, and marketing the venture as a resort project demonstrates that they have engaged in full-fledged real estate project development while deliberately describing the land as agricultural to evade mandatory registration under Section 3 of the RE(R&D) Act. This constitutes a misrepresentation to allottees and an attempt to mislead this Authority.

28. In view of the foregoing, this Authority holds that the Respondents have undertaken systematic developmental activities attracting the definition of a "real estate project" under Section 2(zn) RE(R&D) Act. The development of 40-feet and 30-feet internal roads, plotted layouts, and promotional offerings squarely amount to "development" under Sections 2(s) and 2(t) of the RE(R&D) Act. The description of the land as agricultural in the Sale Deed cannot override the actual nature of activities undertaken. Accordingly, the Respondents were mandatorily required to register the project under Section 3 of the RE(R&D) Act.

29. The Respondents' actions reveal a calculated attempt to camouflage a real estate venture as an agricultural transaction to evade statutory obligations, thereby misleading the Complainant, the public, and this Authority. Such conduct is contrary to the transparency and disclosure regime mandated by the RE(R&D) Act.

30. Based on the material on record, this Authority finds that Respondent Nos. 1 and 2 have engaged in misleading advertisements, exaggerated representations, and deceptive assurances intended to induce purchasers into transacting in an unregistered real estate project. These acts constitute unfair trade practices, violate Sections 3, 4, 12, and 13 of the RE(R&D) Act, 2016 and defeat the statutory safeguards designed to protect allottees.

31. Consequently, this Authority concludes that the acts and omissions of Respondent Nos. 1 and 2 constitute clear violations attracting penalties under Section 61, read with

Sections 37 and 38 of the RE(R&D) Act, 2016. The Respondents have indulged in deliberate misrepresentation, circumvention of statutory requirements, undertaking development without registration, and misleading allottees and this Authority. Their conduct warrants imposition of appropriate penal action under the RE(R&D) Act.

32. The Respondents are hereby directed to forthwith initiate steps for obtaining registration of the project under Section 3 of the Real Estate (Regulation and Development) Act, 2016. Until such registration is duly granted by this Authority, the Respondents shall not advertise, market, book, sell, offer for sale, or invite persons to purchase any plot or unit in the project or any part thereof, in strict compliance with the mandate of Section 3 of the RE(R&D) Act.

33. This Authority is of the considered view that the Complainant's prayer seeking refund of ₹16,94,000/- together with interest at 18% per annum, from the date of the Agreement of Sale till realisation, cannot be entertained in the present proceedings. It is an admitted and undisputed fact that a registered Sale Deed has already been executed in favour of the Complainant, under which title has validly passed. Once title stands transferred by way of a registered conveyance, the Complainant cannot seek relief under section 18 of the RE(R&D) Act.

34. With respect to the second relief sought, namely the claim for past and future monthly rents of ₹16,000/- per month based on the subsequently executed lease deed, this Authority is of the view that such relief falls outside the scope of its jurisdiction under the RE (R&D) Act, 2016. Claims relating to rent, based on lease agreements, do not arise under the provisions of the RE(R&D) Act and must be adjudicated before the competent civil court. Accordingly, this relief is not considered.

35. Accordingly, the present complaint stands disposed of in the above terms.

Sd/-	Sd/-	Sd/-
Sri. K. Srinivasa Rao,	Sri. Laxmi Naryana Jannu,	Dr. N. Satyanarayana, IAS (Retd.),
Hon'ble Member	Hon'ble Member	Hon'ble Chairperson
TG RERA	TG RERA	TG RERA