

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 59/2025/TG RERA

Date: 22nd 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

Madhu Sudhan Cheedalla,
R/o. Plot no.319, Flat no. 402,
Lahari Residency, Road No.7,
Anjaneya Nagar, Moosapet,
Hyderabad,
Telangana - 500018.

...Complainant

Versus

- 1. M/s. Krithika Infra Developers Pvt. Ltd.**
- 2. Mr. D. Srikanth, Managing Partner,**
- 3. Mr. D. Gopal, Managing Director,**
- 4. Mr. D. Sashikanth, Executive Director.**

R/o: Door No: 314, 3rd Floor,
LPT Market, L.B. Nagar,
Ranga Reddy District-500070.

...Respondents

The present matter filed by the Complainant herein came up for hearing before this Authority in the presence of the Complainant in person, and none appeared on behalf of the Respondents despite service of notice; hence, set ex parte and upon hearing the submissions of the Complainant, this Authority proceeds to pass 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:

3. It is submitted that the Complainant had entered into an Agreement of Sale dated 14.12.2022 with the Respondents in respect of purchase of a flat in the project “Sheshadri’s Silver Oak” for a total sale consideration of Rs. 35,00,000 (Rupees Thirty-Five Lakhs Only). The sale consideration amount paid is represented in the table below:

Sl. No.	Date	Amount	Mode of Payment	Receipt/ Voucher No.
1	18/01/2021	2,50,000	Cash	408
2	28/01/2021	10,00,000	Cash	236
3	28/01/2021	3,00,000	Cheque	359
4	21/06/2021	4,00,000	Cheque	24
5	21/06/2021	2,00,000	Cheque	25
6	12/08/2021	4,30,000	Cash	98
7	12/08/2021	9,20,000	Cash	34
	TOTAL	35,00,000		

4. It is submitted that as per the terms stipulated under the Agreement for Sale, the possession of the subject property was originally scheduled to be handed over to the Complainant on or before 11.08.2024. However, despite repeated assurances and representations made by the Respondents regarding timely delivery of the possession of property to the Complainant it has been unduly delayed beyond the agreed timeline.

5. It is submitted that the construction activities have not been commenced till date by the Respondents as the proceeding from the Sanctioning Authority are still pending and have not yet been sanctioned. Additionally, after several follow-ups and personal visits, the Respondents had agreed to register an undivided share of 70 square yards of land as collateral security until the repayment of the due amount. However, the registration for the same has not been executed till date by the Respondents.

6. In view of the delay and failure to fulfil the commitments made under the above stated Agreement of Sale, the Respondent developer subsequently issued three cheques in the Complainants favour as a means of refunding the amount that was paid by the Complainant in furtherance of the Agreement of Sale. The Respondents have issued three cheques bearing Nos. 002145, 002146, and 002147 dated 30.08.2024, 03.09.2024, and 30.10.2024 respectively, each for an amount of Rs. 17,36,334/-, inclusive of the compensation for delay. However, all the aforesaid cheques were dishonoured upon presentation with the endorsement “Insufficient Funds” in the Respondents' account.

B. Relief sought:

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

- I. *Instruct the promoter to refund the entire sale consideration along with reasonable compensation.*

C. Points to be determined:

8. The following issues arise for consideration by the Authority:

- I. Whether the Respondents have violated Sections 3 & 4 of the RE(R&D) Act, 2016 by not registering the project, Sheshadiri's Silver Oak?
- II. Whether the Complainant is entitled to the relief sought? If so, to what extent?

D. Observations of the Authority:

9. The record clearly indicates that despite due service of notice through registered post and substituted service, the Respondents have failed to appear before this Authority, nor have they filed any written response or made any representation to contest the allegations made by the Complainants. Such persistent non-appearance and failure to respond, despite repeated opportunities afforded, demonstrate a deliberate disregard for the proceedings of this Authority. Therefore, after being satisfied that due process was duly followed and all procedural requirements were complied with, this Authority was constrained to proceed ex parte against the Respondents by order dated 13.06.2025.

POINT I

10. The Agreement of Sale dated 14.12.2022 and supporting documents placed on record by the Complainant clearly establish that the Respondent No. 1, M/s. Krithika Infra Developers, had launched and marketed a project titled “Sheshadri’s Silver Oak” proposed to be developed at Survey No. 215, Boduppall Village, Medchal–Malkajgiri District, Telangana. The land admeasuring approximately 13,658 square yards (about 11,418 square meters), as revealed through the documents and representations, was intended to host multiple residential apartments across several blocks. The Complainant was allotted a flat in the 6th Floor, with a built-up area of 1400 Sq. Feet in the said project and executed an Agreement of Sale, for which substantial payments were made towards the total sale consideration.

11. It is evident from the above that the area of land involved in the proposed project far exceeds 500 square meters, and the number of apartments proposed clearly surpasses the threshold of eight units. Therefore, the project does not fall within the ambit of exemption prescribed under Section 3(2) of the Real Estate (Regulation and Development) Act, 2016, which limits exemption only to projects below 500 square meters or eight apartments, inclusive of all phases. Accordingly, the project Sheshadri’s Silver Oak mandatorily required registration with the Telangana Real Estate Regulatory Authority prior to any form of advertisement, marketing, booking, or sale.

12. Further, under Section 4 of the RE(R&D) Act, 2016, every promoter is obligated to submit an application for registration of a real estate project, enclosing all requisite documents and disclosures as prescribed under the Telangana Real Estate (Regulation and Development) Rules, 2017. In the present case, there is no evidence on record to show that the Respondent no. 1 had ever applied for such registration. On the contrary, the material before this Authority clearly shows that the Respondent No. 1 has entered into Agreements of Sale with the Complainant, collected substantial sale consideration, and even undertaken to register undivided shares of land, all without obtaining prior registration. Such conduct amounts to a direct contravention of Sections 3 and 4 of the RE(R&D) Act, 2016.

13. The actions of Respondent No. 1, launching a “pre-launch offer,” advertising, accepting bookings, executing sale agreements, and collecting payments without registration, constitute grave statutory violations. These actions defeat the very objective of the Real Estate (Regulation and Development) Act, 2016, which is to ensure transparency, accountability, and

protection of consumer interests in the real estate sector. The said non-compliance with the mandatory registration provisions renders the entire transaction illegal and voidable at the instance of the allottees.

14. In light of the above discussion, this Authority holds that the Respondent no. 1 has clearly violated the provisions of Sections 3 and 4 of the Real Estate (Regulation and Development) Act, 2016. The Respondent no. 1 is, therefore, liable for penal action under Section 59 of the RE (R & D) Act, 2016 for having advertised, marketed, sold, and entered into agreements for the sale of flats in the unregistered project “*Sheshadri’s Silver Oak.*” This conduct not only undermines the statutory objectives of the RE(R&D) Act, 2016 but also causes serious prejudice to the rights and financial security of the allottees.

15. It is pertinent to mention that this Authority has already dealt with similar violations by the same Respondent in Complaint No. 115 of 2024, which related to this very project. A penalty of ₹9,96,050/- (Rupees Nine Lakhs Ninety-Six Thousand and Fifty Only) was imposed on the same Respondents for violation of Sections 3 and 4 of the RE(R&D) Act, 2016 for the same project. Therefore, the issue of unregistered development by the Respondent-promoter in the present case stands on an identical footing, and has already been addressed through the said earlier order.

16. Further, this Authority, in its Order in Complaint No. 86 of 2025 dated 16.10.2025, has declared the Respondent No. 1/Promoter, *M/s Krithika Infra Developers*, as a “defaulter” for continuous and willful violations of the provisions of the Real Estate (Regulation and Development) Act, 2016. Accordingly, all developmental activities undertaken by the said Respondent no. 1 are to be terminated with immediate effect, and the Respondent No. 1/Promoter is restrained from carrying out any further advertisement, marketing, booking, sale, or offer for sale of any apartment or part thereof in the said project or any other projects in the future, in any manner whatsoever. The relevant portion of the above-mentioned order reads as follows:

Para 23. Further, the Respondent has consistently exhibited wilful contempt for the authority. Despite due service of notices, publication of public notice, and repeated opportunities, the Respondent has failed to appear, file replies, or offer any explanation. Such recalcitrant conduct demonstrates wilful disobedience, procedural evasion, and a premeditated intention to obstruct

justice and subvert regulatory oversight. The Respondent's conduct strikes at the very root of the regulatory mechanism envisaged under the RE(R&D) Act, thereby undermining the faith of allottees and the integrity of the real estate sector.

Para 24. In light of the above, and considering the grave, continued, and wilful violations of statutory obligations, coupled with the mala fide intent to deceive and defraud the public at large, this Authority is constrained to hold that the Respondent has engaged in malpractice, unfair trade practice, and deliberate misrepresentation within the meaning and spirit of the Real Estate (Regulation and Development) Act, 2016

Para 25. Accordingly, in exercise of the powers conferred under Sections 37 and 38 of RE(R&D) Act, 2016, and in the larger public interest, this Authority hereby declares Respondent No.1, M/s. Krithika Infra Developers, to be a "defaulter" and a habitual violator of the provisions of the RE(R&D) Act. Consequently, the Respondent, including its directors, partners, and associated entities, is prohibited from undertaking, advertising, marketing, booking, selling, or registering any new real estate project within the jurisdiction of this Authority.

POINT II

17. Upon careful examination of the documents and submissions placed on record, this Authority observes that the Complainant has produced substantial evidence in support of having paid the total sale consideration of ₹35,00,000/- (Rupees Thirty-Five Lakhs only) to the Respondents towards the purchase of a residential flat in the project titled "Sheshadri's Silver Oak" situated at Sy. No. 215, Boduppall Village, Medchal-Malkajgiri District. The payment details furnished in the complaint and corroborated by vouchers and receipts demonstrate that the entire amount has been received by the Respondents.

18. It is evident from the record that the construction activity on the project site has not been commenced to date, and the Respondents have failed to secure requisite approvals and permissions from the competent planning authorities. The Respondents have also not executed the registration of the promised undivided share (UDS) of land in favour of the Complainant despite having accepted specific amounts for that purpose.

19. The Respondents' failure to commence the project or to deliver possession within the stipulated period, coupled with the subsequent issuance of cheques that were dishonoured due to "insufficient funds," clearly demonstrates a willful default on their part. The issuance and dishonour of cheques only strengthen the inference that the Respondents had no intention of fulfilling their contractual commitments or refunding the amount voluntarily.

20. Under Section 18(1) of the Real Estate (Regulation and Development) Act, 2016, a promoter is bound to return the amount received from an allottee, along with interest at the prescribed rate and compensation, in the event that the promoter fails to complete or is unable to give possession of the apartment, plot, or building as per the terms of the agreement for sale.

21. In the present case, the Respondents, having received the full sale consideration without initiating construction, have evidently failed to perform their statutory obligations as promoters. Consequently, the Complainant is entitled to a refund of the amount paid along with interest as stipulated under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, which prescribes that the rate of interest payable by the promoter to the allottee shall be the State Bank of India's highest Marginal Cost of Lending Rate (MCLR) plus two percent.

22. Therefore, this Authority holds that the Complainant is entitled to a refund of the entire sum of ₹35,00,000/- (Rupees Thirty-Five Lakhs only) paid towards the purchase of the flat, along with interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, i.e., the State Bank of India's highest MCLR + 2% per annum, calculated from the respective dates of payment made by the Complainant until the date of actual refund by the Respondents.

E. Directions of the Authority

23. In accordance with the discussions made above, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondents:

- i) The Respondents are directed to refund the entire amount of Rs. 35,00,000/- (Rupees Thirty-Five Lakhs Only) along with interest at the rate of 10.75% per annum (SBI MCLR of 8.75% + 2%) calculated from the respective dates of payment made by the Complainant until the date of actual refund by the Respondents, within 30 (thirty) days from the date of this order.

24. 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.

25. In view of the above, the present complaint is disposed of. 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

