BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 207 of 2025
Dated: 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

Bhargavi Chiluveru,
R/o: Flat No. 4-295/A3, 1st Floor,
Ramreddy Apartment, Navajeevan Nagar,
Near Police Quarters, Balanagar, Telangana - 500011

…Complainant

Versus

1. **M/s. Krithika Infra Developers**
   Rep. by its CEO, D. Srikanth
   R/o: 3rd Floor, X Road,
   Beside Bahar Cafe, Opposite HP Petrol Pump,
   LB Nagar, Hyderabad, Telangana - 500074

2. **Mr. D. Gopal,**
   Director, M/s. Krithika Infra Developers,
   R/o: H.No.: 7-67, GVR Colony, Thattiannaram Village,
   Rangareddy District, Telangana – 500068

3. **Smt. Radha Bhukya**
   Managing Director, M/s. Krithika Infra Developers,
   R/o: Indu Aranya Villa No. 126, Bandlaguda, Telangana – 500068

4. **Mr. D Shashikanth**
   Executive Director, M/s. Krithika Infra Developers,
   R/o: 3rd Floor, X Road,
   Beside Bahar Cafe, Opposite HP Petrol Pump,
   LB Nagar, Hyderabad, Telangana - 500074

…Respondents

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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 relief(s) against the Respondents.

A. Brief facts of the case:

3. The Complainant has submitted that she purchased a flat bearing No. C-111, Block-C, on the 2nd Floor, East Facing, measuring 1433 sq. ft., in the Project titled "Sheshadri's Silver Oak" developed by the Respondent, situated at Boduppal Village Municipality, Medchal-Malkajgiri District, Telangana.

4. The Complainant has paid a total sum of ₹37,97,450/-, out of which ₹35,82,500/- was paid towards payment for the flat and the payments were completed by 06.07.2022, and ₹2,14,950/- was paid towards registration charges for which payment was done on 26.02.2023.

5. It is also submitted that the Agreement of Sale was executed on 08.07.2022, and that the developer promised delivery of the flat within two years from the date of entering into the Agreement of Sale. However, no construction work has commenced till date. The developer failed to obtain requisite approvals for construction, and failed to register the project with RERA.

B. Relief(s) Sought:

6. Accordingly, the Complainant sought the following reliefs:

i. An order directing the Respondent to refund the entire amount of Rs. 37,97,450/- with interest from the date of full payment, as per the government norms, or;

ii. An order instructing the Respondent to register the land in the name of the Complainant, to obtain RERA registration for the project, commence the development works and to register and deliver the flat at the earliest.

C. Points to be determined:

7. Based on the facts and circumstances placed before this Authority, the following questions arise for adjudication:

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:

8. 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 23.07.2025.

Point I

9. The Agreement of Sale dated 08.07.2022 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, Boduppal 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 2nd Floor, with a built-up area of 1433 Sq. Feet in the said project and executed an Agreement of Sale, for which substantial payments were made towards the total sale consideration.

10. 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.

11. 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 Agreement of Sale with the Complainant, and collected substantial sale consideration, all without obtaining prior registration. Such conduct amounts to a direct contravention of Sections 3 and 4 of the RE(R&D) Act, 2016.

12. 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.

13. 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.

14. 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.

15. 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.*
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> *Para 24. In light of the above, and considering the grave, continued, and wilful violations of statutory obligations, coupled with the malafide 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*
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> *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*

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entities, is prohibited from undertaking, advertising, marketing, booking, selling, or registering any new real estate project within the jurisdiction of this Authority.

Point II

16. 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 ₹37,97,450/- (Rupees Thirty-seven lakh, ninety-seven thousand, four hundred and fifty) to the Respondent No.1 towards the purchase of a residential flat in the project titled "Sheshadri's Silver Oak" situated at Sy. No. 215, Boduppal Village, Medchal–Malkajgiri District. The payment details furnished in the complaint and corroborated by vouchers, receipts and Agreement of Sale demonstrate that the entire amount has been received by the Respondent No.1.

17. 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 Respondent No.1 has also not executed the registration of the flat in favour of the Complainant despite having accepted specific amounts for that purpose.

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18. The Respondents' failure to commence the project or to deliver possession within the stipulated period, clearly demonstrates a willful default on their part and only strengthens the inference that the Respondents had no intention of fulfilling their contractual commitments or refunding the amount voluntarily.

19. 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.

20. 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.

21. Therefore, this Authority holds that the Complainant is entitled to a refund of the entire sum of ₹37,97,450/- (Rupees Thirty-seven lakh ninety-seven thousand four hundred and fifty) 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:

22. 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 Respondent is directed to refund the entire amount of ₹37,97,450/- (Rupees Thirty-seven lakh ninety-seven thousand four hundred and fifty) 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

23. 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.

24. In view of the above, the present complaint is disposed of. No order as to costs.

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