

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

25th February 2026

Quorum: Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson
Sri LaxmiNarayanaJannu, Hon'ble Member
Sri K. SrinivasaRao, Hon'ble Member

COMPLAINT NO.617 OF 2023

Between
Smt Sree Vatsala Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas.** Respondent

COMPLAINT NO.864 OF 2023

Between
Veecha Rama Rao Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas.** Respondent

COMPLAINT NO.819 OF 2023

Between
J Veenu Prasad Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas.** Respondent

COMPLAINT NO.818 OF 2023

Between
KandimallaNaveena Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas.** Respondent

COMPLAINT NO.691 OF 2023

Between
EggadaSurpiya Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas.** Respondent

COMPLAINT NO.692 OF 2023

Between

T Venkata Prasad

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.698 OF 2023

Between

N Bhaskara Satya Prasad

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.699 OF 2023

Between

Bhaskar P

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.697 OF 2023

Between

Methuku Shekar

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.661 OF 2023

Between

Manikyam Alla

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.968 OF 2023

Between

Pethala Raju

.... Complainant

AND

**M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent**

COMPLAINT NO.693 OF 2023

Between

G. Hemanthu

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas.

.... Respondent

COMPLAINT NO.696 OF 2023

Between

J Naveen Prasad

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas.

.... Respondent

COMPLAINT NO.8972 OF 2023

Between

K Raja Rajeshwari

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas.

.... Respondent

COMPLAINT NO.702 OF 2023

Between

KOti Reddy

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas.

.... Respondent

COMPLAINT NO.701 OF 2023

Between

RamuChilakamarri

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas.

.... Respondent

COMPLAINT NO.685 OF 2023

Between

K. Veena

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO.971 OF 2023

Between

Seema Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO.703 OF 2023

Between

Nagababu Doredla Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO.700 OF 2023

Between

Rama Reddy K Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO.846 OF 2023

Between

Sulegama Venkateshwar Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO.684 OF 2023

Between

Sujana Kaluva Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri
K.Srinivas. Respondent

COMPLAINT NO. OF 2023

Between

K Munichandra Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.942 OF 2023

Between

Narayanavarapu Venkatesh Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.651 OF 2023

Between

N Lakshmi Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.1048 OF 2023

Between

Mirza Quasi Rabbana Begum Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.1047 OF 2023

Between

G. Prakash Rao Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.708 OF 2023

Between

Gante Bhaskar Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.705 OF 2023

Between

Yanamala Venkata Ramana Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.751 OF 2023

Between

Narsimha Rao Alladi Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.709 OF 2023

Between

Pola Shirisha Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.654 OF 2023

Between

Dasari Lakshmi Sailaja Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.711 OF 2023

Between

Mahankali Kiran Kumar Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.704 OF 2023

Between

Ravu Rambabu Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.726 OF 2023

Between

Lavu Sarala Rani Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.707 OF 2023

Between

G Narmada Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.706 OF 2023

Between

Rama Rao Mundla Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.710 OF 2023

Between

Karikelli Ravali Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.810 OF 2023

Between

MPVS Naidu Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.809 OF 2023

Between

K Prathyusha Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.1020 OF 2023

Between

T Gayathri Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.1021 OF 2023

Between

Mohd. Nisar Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO.1105 OF 2023

Between

K Satyanaryana Reddy Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, rep by Sri K.Srinivas. Respondent

COMPLAINT NO. 199 OF 2024

M/s Jaya Diamonds Welfare Association, rep by President Mr. Sudheer Reddy Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Diamond Project”, Sri Kakarla Srinivas Respondent

TGRERA PROJECT REGISTRATION NO: P02200004769

COMMON INTERIM ORDER

This Interim order shall be applicable to all the above captioned complaints which are filed under under Section 31 of the Real Estate (Regulation and 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 “Rules”) seeking directions from this Authority to take action against the Respondent.

3. The case of the complainants in all the above-captioned complaints rests on similar grounds. Likewise, the stand taken by the Respondent in its counter-affidavits is identical. Subsequently, all the complainants have formed an association under the name “Jaya Diamonds Welfare Association” and have jointly filed a fresh complaint vide Complaint No. 199 of 2024. Therefore, for the sake of convenience and to avoid repetition, the pleadings in Complaint No. 199 of 2024 filed by the said Association are referred to and relied upon herein.

A. Unit and project related details:

4. The particulars of the concerned project are as follow:

S.no	Heads	Information
1.	Promoter- Project name	M/s Jayathri Infrastructures – “Jaya Diamond
2.	Project area	3267 sq yards or 2731.01 sqmtrs.
3.	Nature of the Project	Residential gated community 1 Stilt + Ground and 5 upper floors. Total of 83 apartments
4.	HMDA approval	Building technical approval no. 043524/MED/R1/HMDA/25022021, dated 20.03.2021 Approved by local body vide permit no. G1/DM/3810/BP/2021 dated 01.11.2021
5.	RERA Registration	P02200004769
6.	Situated	Bachupally Village and Mandal, Medchal – Malakajiri District, Telangana

B. Brief facts and submissions of the complainant association are as follows:

5. It is submitted that the Complainant Association, Jaya Diamonds Welfare Association, is a registered entity under the Telangana Societies Registration Act, 2001 vide Registration Number: 23 of 2024 on 09.01.2024, with a total of 63 members. The members of the Complainant Association are allottees having sale holders/agreement holders/MOU holders in the project named "JAYAS The Copy of Certificate of Registration of Jaya Diamonds Welfare association.

6. It is submitted that Respondent No. 1 is a company based in Hyderabad, India incorporated under the then Companies Act, 1956. The Respondent No. 1 Company is inter alia engaged in the business of developing both residential and commercial projects. It is submitted that Respondent No. 2 is the Managing Director of Respondent No. 1 Company and is responsible for overseeing and managing the development of the residential and commercial projects undertaken by Respondent No. 1, including the project "JAYA'S DIAMOND."

7. It is submitted that Respondents herein approached the members of the Complainant Association stating that he is a reputed builder and is developing a gated community "Jayas Diamond", after having obtained permission from the Hyderabad Metropolitan Development Authority (HMDA) vide PERMIT No. HMDA/2021, consisting of Cellar + Ground + 5 upper floors 16.03.2022 in Sy. No. 143/P, situated at Bachupally (v) Nizampet Municipal Corporation, covering an extent of 3166.80 Sq. Mtrs or 3787.43 sq. yds for a total number of 83 flats, clubhouses and other services (Hereinafter to be referred to as "the Project"). The Respondents had obtained permission from this Hon'ble Authority for a project vide Permission Registration No. P02200004769.
8. It is submitted that the members of the Complainant Association trusting the Respondent's representations entered into various agreements i.e., Agreement of Sale, Memorandum of Understanding and Sale Deeds over various flats in the project "JAYA DIAMOND", which are residential apartments construction of which was undertaken by the Respondent No.1 with an agreed-upon timeline for completion. It is submitted that Respondent No. 1 is a developer that entered into Sale Deeds / Agreement of Sales / Memorandum of Understandings agreements with several members of the Complainant Association for the project named "JAYA DIAMOND"
9. It is submitted that the Respondents by marketing the project and representing to the prospective homebuyers that they will complete the project in time, lured the members of the Complainant Association into purchasing the flats of the Project by paying the sale consideration. It is further submitted that Respondent has barely made any progress in the construction of the Project ever since February 2022, when the Project was supposed to be completed and the respective flats in the Project were supposed to be handed over to the members of the Complainant Association by December 2022. It is further submitted that the Respondents, their staff and connected workers have all been very irresponsible and lackadaisical ever since then.
10. It is submitted that on several requests of the members of the Complainant Association and after numerous reminders for the updates, the Respondent has failed to construct the project despite the Managing Director, Srinivas Kakarla has wilfully absconded from his duties and misappropriated the consideration amounts received from the sale or agreements relating to 80% of the flats in the project. Furthermore, he has not provided any compensation to flat owners as mentioned in the MOU/AOS/Sale Deeds. Despite multiple attempts to reach Mr Srinivas Kakarla, he remains untraceable. Later, it is discovered that

other flat purchasers are facing similar issues. Despite multiple attempts to reach Mr Srinivas Kakarla, he remains untraceable.

11. It is respectfully submitted that all the complaints listed, namely, Complaint Nos. 639/2023, 661/2023, 685/2023, 684/2023, 703/2023, 702/2023, 698/2023, 698/2023, 699/2023, 700/2023, 696/2023, 697/2023, 693/2023, 819/2023, 818/2023, 691/2023, 692/2023, 810/2023, 809/2023, 894/2023, 864/2023, 971/2023, 972/2023, and 986/2023, sought similar reliefs and involved issues of a similar nature. Consequently, the Telangana State Real Estate Regulatory Authority, Hyderabad, issued a common interim order dated 13.09.2023 directing the Respondent, M/s. Jayathri Infrastructures, represented by its Managing Director, Mr. Kakarle Srinivas, to cease the sale or registration of the 24 flats specified in the Memoranda of Understanding (MOUs) with the respective allottees to any third party until further notice or the issuance of the final order by this Authority. The Respondent was further directed to promptly proceed with registering the sale agreements, already executed through MOUs dated between 28.07.2023 and 02.09.2023, in favor of the allottees for the aforementioned flats, in accordance with the terms and conditions outlined in the MOUs. This interim order shall remain effective until the issuance of the final order or until further modifications or directions are issued by this Authority. The Respondent is hereby notified that non-compliance with this order may result in further legal actions and penalties under the provisions of the RERA Act.
12. In order to secure the huge investments made by the members of the Complainant Association, all the allottees have together formed the present Association, namely, "Jaya Diamond Welfare Association" with Society Registration Number: 23 of 2024 dated 09.01.2024 and after due deliberations decided that JayaDiamond Welfare Association shall take over the project for completion of the project in the interest of all the allottees. The Copies of the Consent letters of the Allotees to RERA via Association for taking over the Project by association.
13. In furtherance of the said decision to take over the project, members of the Complainant Association gave their consent for collectively taking over the Jaya Diamond Project by the Complainant Association. The members of the Complainant Association also agree that handing over the Project to Jaya Diamond Welfare Association is in their best interests and they will not object to the decisions/resolutions passed/works undertaken by the Association in furtherance of completion of the development of the project. Also, the members undertook that any balance sale consideration that is due and payable by them shall be

deposited into the bank account of the Complainant Association for the purpose of completing the project.

14. It is submitted that the Complainant Association is cognisant of the fact that the project is incomplete and would require an infusion of considerable capital for its completion. The Complainant Association, in its efforts to safeguard the interests of the allottees, has obtained a detailed business plan from 'Suresh Reddy Infra,' a contractor with recognized expertise in the field of construction. This plan outlines the strategies for raising funds and effectively utilizing them for the completion of the project. The plan specifies the quality of materials to be used, the services to be provided, the price per unit, and the timelines for each phase of the project.
15. It is submitted that the Contractor has committed to adhering to high standards of construction, ensuring durability, safety, and compliance with all regulatory requirements. The price breakdown per unit has been clearly laid out, reflecting transparency in financial dealings. Furthermore, the timeline for the deliverables is reasonable, reflecting the Contractor's experience in managing similar projects within set deadlines.
16. It is submitted that the Complainant Association, having carefully reviewed this plan, is confident that with the cooperative efforts between the Contractor and the Association, the project can be completed efficiently. The oversight of the Association will ensure that the work is executed as per the agreed terms, which will not only expedite the construction but also indemnify the losses and damages previously suffered by the allottees due to delays and mismanagement. The Association submits this plan to the relevant authorities as part of its complaint, urging that this arrangement be recognized and facilitated to ensure timely relief to the affected allottees.
17. At the meeting of the members of Jaya Diamond Welfare Association held on 19th July 2024, it was unanimously resolved to open an account in the name of "JAYA DIAMOND WELFARE ASSOCIATION" with HDFC Bank, Hyderabad. HDFC Bank is authorized to honor all cheques, promissory notes, and other instruments drawn or accepted on behalf of the Society, regardless of whether the account is in credit or overdrawn. It is further resolved that any two of the following officers-Sudheer Reddy Kandimalla (President), Narasimha Rao Alladi (General Secretary), Naga Babu Doredla (Treasurer), or SreeVatsalaMachanuru (Executive Member)-are authorized to sign jointly on behalf of the Society for any banking transactions, thereby binding the Society in all dealings with HDFC Bank.

18. It is submitted that the aggrieved herein are innocent homebuyers who have made payments to the Respondents out of their lifelong earnings for their dream house. It is extremely unfair on the part of the Respondents to play fraud on innocent homebuyers and be stripped of their dream house.
19. It is submitted that the Associates/Members have filed several criminal complaints against Respondent No.1 and Respondent No. 2 and Respondent No. 2 is currently absconding from the police authorities. This lack of engagement and effort to advance the project has led to a noticeable lack of interest and lost confidence on Respondent No.2.
20. It is further submitted that the homebuyers/allottees of the Jaya Diamond, project are not the only ones who have approached this Hon'ble Authority complaining about violations by Respondents but there are allottees of other projects which are undertaken by the Respondents who have also approached this Hon'ble Authority alleging violations of the provisions of the RERA Act, 2016. The Respondents are in blatant violation of the laws and regulations for each and every project of theirs, which are seven (7) in total. Therefore, it is submitted that the violations by the Respondents and their irresponsible behaviour and casual attitude towards these projects, when the hard- earned money of the homebuyers is in question, are completely unacceptable and cannot be condoned. Considering the blatant violation of law by the Respondents in not just one, but all of their projects, is extremely worrisome and warrants cancellation/revocation of the Respondent's registration.
21. It is submitted that there are several violations committed by the Respondent which this Hon'ble Authority already made prima facie finding on Respondent's blatant violation of law and indulging in unfair practices. It is submitted that Respondent No.2 has demonstrated a lack of interest in completing the project. It is submitted that the Complainant Association herein through the present complaint prays that this Hon'ble Authority may be pleased to undertake necessary steps to complete the project and the Complainant Association is ready to fully cooperate in ensuring that the project is completed.
22. It is further submitted that these funds may be handed over to the Complainant Association along with the responsibility to complete the project. The Complainant Association is ready and willing to take the necessary and appropriate steps to complete the project by appointing credible and competent entities/ persons to complete the project. If even after the auction of the said 12 vacant flats do not realise the requisite funds required for the completion of the project, the Complainant Association is willing to infuse and invest extra funds to complete the project.

23. Therefore, the Complainant Association herein is filing the present application under Section 8 of The Real Estate (Regulation and Development) Act, 2016 to take over the project through the Association and to appoint a competent builder who will complete the project.

C. Relief(s) sought:

24.. In view of the above-mentioned facts and circumstances, it is humbly prayed that this Hon'ble Court may be pleased to

- a. To conduct an investigation into the project.
- b. To formally hand over the management and control of the project JAYA'S DIAMOND to the Complainant Association herein, thereby permitting/ authorizing the Complainant Association to appoint a competent/qualified builder to complete the project.
- c. To direct the Respondent to refund the amount to the allottees who have sought cancellation of the unit.
- d. To permit the Complainant Association to enter into a formal agreement/ MOU/Development Agreement with the Appointed builder.
- e. To direct conduct of a forensic and structural audit of the Project to ascertain the extent of fraud committed by Respondents No. 1 and 2.
- f. To direct the respondent to furnish all project-related records before the Hon'ble Authority.
- g. Order Respondent No.1 and 2 to provide compensation to the Associates for the delay in the project and any consequential financial losses suffered as a result.
- h. Release the amounts in the bank account maintained by the Builder in compliance with Section 4(1)(D) of the RERA Act.

D. Respondent Reply:

25. The Respondent, through multiple submissions dated 22.08.2023, 03.09.2023, 08.09.2023, 01.11.2023, and 08.11.2023, has submitted that they are the absolute owners of land admeasuring a total extent of 3,787.43 square yards in Survey No. 143/P, situated at Bachupally Village and Mandal, falling under Nizampet Municipality, Medchal–Malkajgiri District, having purchased the same from the AGPA holder, M/s Siva Sai Constructions, through a registered Sale Deed bearing Document No.12502/2022 dated 25.04.2022, registered at SRO, Qutbullapur.

26. It is stated that the Respondent entered into a Contract Agreement with Sri M. Mohan Rao for development of the said project. However, the said contractor allegedly abandoned the

project prior to completion of the agreed term. The Respondent contends that an advance of Rs. 45,00,000/- (Rupees Forty-Five Lakhs only) was paid to the said contractor, who, despite receipt of the advance, failed to undertake or complete any developmental work. The Respondent further submits that they have, till date, incurred an approximate expenditure of Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakhs only) towards the construction of the project.

27. It is further stated that during January 2023, certain criminal cases were registered against the Respondent, which led to severe financial constraints and loss of goodwill among existing customers. In order to mitigate the situation and maintain confidence, the Respondent executed registrations in favour of certain existing customers, and submits that a few allottees have also instituted civil suits against the Respondent, allegedly causing obstruction and provoking other purchasers.

28. The Respondent has stated that, despite such challenges, they have now resolved to resume and complete the project without further delay or interruption. It is submitted that they possess adequate financial resources to complete the remaining works. The Respondent has also produced a communication from the Nizampet Municipal Authority directing temporary suspension of cellar work during the monsoon season, and assures that the ongoing construction shall be executed in compliance with local authority directives and without any misuse of permissions.

29. The Respondent, through submission dated 03.09.2023, furnished a construction schedule, undertaking to complete the entire project, including obtaining Occupancy Certificate, by December 2024, along with stage-wise timelines for completion of various components of the project.

30. It is further stated that the Respondent proposes to mobilize funds required for pending construction by sale of approximately 20 unsold flats and 20 cancelled units, and that such proceeds shall be utilized exclusively for project completion. The Respondent also submits that a new partner has been inducted for construction purposes, who shall undertake the balance construction for a mutually agreed consideration per square foot, upon execution of a formal agreement to be placed before this Authority.

31. In addition, the Respondent has expressed willingness to liquidate one of his personal land assets to generate additional funds, if required, to ensure completion and handover of the project to the respective allottees without further delay.

32. On a subsequent date of hearing, the Respondent further submitted that the subject property was acquired through multiple financial sources and that servicing such borrowings has become critical. The Respondent claims to have paid monthly interest to creditors, besides

incurring marketing, leasing, security, deposit, and statutory expenses towards maintenance of the project.

33. Reiterating earlier submissions, the Respondent submits that despite having advanced a total amount of Rs. 75,00,000/- at the time of execution of the development agreement, followed by an additional Rs. 45,00,000/-, the contractor failed to perform any work, resulting in loss of valuable time, effort, and financial resources. Consequently, the Respondent asserts that they have suffered reputational loss among customers and financial distress due to criminal proceedings, yet they are now committed to personally oversee and complete the project within the revised schedule.

E. Proceedings:

34. The captioned complaints came up for hearing on multiple dates. The Respondent-promoter filed several replies in which various explanations were offered for the delay in execution of the project. The Complainants, including the Association of Allottees, persistently pressed for expeditious completion of the project. At the outset the Respondent did not controvert that there had been an inordinate delay even in commencing construction.

35. By its interim order dated 13.09.2023 the Authority granted limited interim protection to twenty-four (24) allottees whose agreements had not been registered and restrained the Respondent-promoter from alienating the subject units pending adjudication of the disputes before this Authority.

36. During the course of hearings, the Respondent candidly admitted to serious delays and attributed them to a multiplicity of causes, namely, financial distress, inability to secure further funding, withdrawal of the originally engaged contractor, and pendency of certain criminal proceedings which, according to the Respondent, impeded the on boarding of new development partners. The Respondent also stated that an amount in excess of Rs. 1.5 crore had been expended on the project and sought additional time alternatively a direction permitting initiation of refund processes to either complete the project or refund the amounts collected.

37. Notwithstanding repeated assurances, the Respondent failed to place before the Authority any credible, time-bound programme for completion, any substantiating financial particulars (bank statements, escrow/segregated account details, or binding commitments from financiers), or any enforceable mechanism to secure completion. The proposals subsequently filed by the Respondent contained vague references to “pooling of funds” and an imprecise plan of action, devoid of quantifiable milestones or timelines. In view of the Respondent’s inability to demonstrate tangible progress or furnish a dependable completion strategy, the Authority considered it necessary to verify, independently, the factual status of the project.

38. Exercising the powers available to it under Section 35 of the Real Estate (Regulation and Development) Act, 2016, the Authority directed the Engineering Staff College of India (ESCI) to carry out a technical inspection of the project commonly described as "Jaya Diamond."

39. On 01.11.2023 the Complainants brought to the notice of the Authority that a new entity styled M/s Pranava Realtors India LLP had commenced marketing the project under the nomenclature "Pranava Diamond", and that such marketing was being conducted under the same RERA registration number (P02200004769) originally granted to M/s Jayatthri Infrastructures. Taking these allegations seriously, the Authority directed the Respondent to immediately cease all marketing, sale or alienation activities in relation to the project until further orders.

40. ESCI, in its inspection report (Ref. No. ESCI/PD/TPQC/TSRERA/05/2023-24), recorded the nature and stage of the development. The report indicated that the sanctioned project comprised a stilt plus five upper floors with twelve flats on each floor, aggregating 83 units. As per the inspection, only approximately six per cent (6%) of the total construction work had been completed as on the date of inspection, leaving the balance 94% substantially unfinished. The report further recorded that the Respondent had collected Rs. 23,26,85,905/- from various homebuyers. A Chartered Accountant's certificate placed on record estimated the cost of completion at Rs. 11,82,81,500/- while the amount allegedly expended to date was Rs. 6,22,48,761/-.

41. Subsequent hearings revealed that the Respondent is unable to demonstrate the ability to mobilise additional funds, tendered a proposal to initiate refunds to the allottees, subject to the Authority's approval. The allottees uniformly rejected the offer. Several allottees emphasised that, having discharged a substantial portion of the consideration (in many cases more than fifty per cent), they would not be remedilessly relegated to an option of cancellation, rather, a significant cohort expressly stated their desire to insist upon completion and delivery of possession. Many of those who might earlier have considered cancellation informed the Authority that they no longer sought rescission and instead sought adjudication for completion.

42. On a fresh complaint bearing No.199 of 2024 was instituted by the Jaya Diamonds Welfare Association (Registration No. 23 of 2024), representing nearly sixty (60) allottees. The Association unequivocally stated that its members no longer wished to pursue refunds or cancellations but sought completion of the project and delivery of possession. It prayed for revocation of the promoter's registration under Section 7 of the Real Estate (Regulation and

Development) Act, 2016 and for invocation of Section 8 of the RE(R&D) Act so as to enable transfer of the project to the Association for completion.

43. Having regard to the fact that multiple individual complaints related to the very same project were pending before this Authority and in the interests of judicial economy and consistent adjudication, the Authority admitted Complaint No.199 of 2024 and ordered that the earlier individual complaints be clubbed with Complaint No.199, which was designated as the primary proceeding for final adjudication.

44. The Authority afforded the Respondent numerous opportunities to file a proper reply and to place before the Authority all necessary particulars. The Respondent's non-appearance, however, became a recurring feature. After several adjournments and unsuccessful attempts to secure effective representation, a new counsel briefly entered appearance and sought time to file vakalatnama, copies were collected from the registry but thereafter neither the counsel nor the any other representatives of the Respondent attended the hearings. Summons issued repeatedly were returned to the registry with reports of non-availability at the Respondent's cited place of residence and office for an extended period. The Authority, having afforded adequate opportunity and being satisfied that the Respondent had been duly and repeatedly given chances to be represented, proceeded to hear the matter ex parte.

45. In sum, the material on record the ESCI report, the Chartered Accountant's certificate, the sequence of vague and non-compliant proposals by the Respondent, the repeated assurances not followed by performance, and the Respondent's prolonged non-attendance before this Authority collectively disclose a pattern of non-performance and non-cooperation. These factual findings, recorded at this stage, form the foundation for the adjudicatory exercise that follows and will inform the Authority's consideration of the remedies available under Sections 7, 8 and other relevant provisions of the RE(R&D) Act.

F. Initiation of Proceedings under Section 7 of the Real Estate (Regulation and Development) Act, 2016:

46. The Authority had initiated proceedings under Section 7 of the Real Estate (Regulation and Development) Act, 2016 in respect of the present project upon a detailed perusal of the records, submissions, and the material placed on record.

47. Upon such examination, the Authority, in its Interim Order dated 09.04.2025, made the following observations while keeping the RERA registration P02200004769 in abeyance. During the hearing held on 08.11.2023, the Respondent categorically admitted before this Authority that they were unable to secure any new promoter or financial partner for completion of the project and expressed willingness to refund the amounts to allottees, thereby admitting

their incapacity to carry forward the project. The Association of Allottees, however, expressed that they had lost all confidence in the Respondent and desired continuation of the project rather than refund.

48. The Authority also noted that though the RERA registration of the project reflected a completion date of 27.04.2025, the Respondent, through the contractual documents executed with the allottees, had voluntarily advanced the delivery commitment to June 2023. Despite this, since January 2023, there has been no construction activity at site, not even completion of foundational work.

49. The Authority further recorded the following violations and deficiencies committed by the Respondent Promoter:

a. Failure to complete even 10% of the project construction till date, despite having contractually committed, through multiple Memoranda of Understanding and Agreements for Sale, to deliver possession by June 2023.

b. Failure to refund monies to those allottees who opted for cancellation of their units due to the inordinate delay in project execution, thereby causing grave financial distress to such allottees.

c. Indulgence in misleading representations before this Authority, by providing false assurances regarding imminent completion of the project, which remain unsubstantiated by any credible or documented progress.

d. Non-compliance with Section 11 of the RE (R&D) Act, owing to failure to upload mandatory quarterly progress reports, thereby depriving stakeholders and allottees of vital project-related disclosures.

e. Violation of Section 13 of the RE(R&D) Act, by accepting more than 10% of the total consideration from certain allottees without executing a valid Agreement for Sale, in direct contravention of statutory safeguards.

f. Existence of material discrepancies between the Agreements for Sale uploaded on the Authority's website and those actually executed with individual allottees, raising concerns regarding transparency and contractual fidelity.

g. Failure to secure requisite funding for project completion, despite having already collected more than 50% of the total sale consideration from each allottee. The Respondent has neither demonstrated financial prudence nor made credible efforts to arrange alternative sources of funding, thereby jeopardizing the legitimate expectations of the allottees and further delaying the execution of the

project.

h. Repetitive and systemic violations of the RE(R&D) Act across multiple projects undertaken by the Respondent Promoter. This Authority notes with grave concern that in at least seven other projects, more than 200 complaints have been received from aggrieved allottees. In five of these projects, the Respondent has been found to be marketing and selling units without having secured registration under the RE(R&D) Act, in clear breach of the statutory mandate. Consequently, the Authority declared the Respondent Promoter as a defaulter under Section 7(4)(a) of the RE(R&D) Act for the project 'Jaya Platinum', vide Complaint No. 1269/2023 & Ors., dated 02.12.2024.

i. Abandonment of regulatory proceedings, as evidenced by the Respondent's continued non-appearance before this Authority since November 2024, without offering any explanation or justification, thereby indicating a conscious disregard for both regulatory oversight and the rights of the allottees.

50. In view of these repeated and persistent defaults, the Authority concluded that the Respondent promoter has willfully violated the provisions of the RE(R&D) Act, engaged in systemic non-compliance, and demonstrated conduct detrimental to the interests of the allottees.

51. Accordingly, a Show Cause Notice dated 20.02.2025 was issued under Section 7 of the RE(R&D) Act, calling upon the Respondent to explain why the registration of the project "Jaya Diamond" should not be revoked. The Respondent failed to submit any reply or justification within the prescribed period. Consequently, the Authority was constrained to draw an adverse inference and proceed in accordance with law.

52. Thereafter, by Order dated 09.04.2025, the Authority kept the project in abeyance, directing the Respondent to produce a verifiable plan for completion or evidence of secured funding. However, even till date, no such compliance has been made. The Respondent has remained completely indifferent, failed to demonstrate bona fides, and continued to mislead both allottees and the Authority through false assurances and lack of sincerity.

53. The Authority is satisfied that the Respondent has been accorded adequate and repeated opportunities to rectify defaults and complete the project, yet failed to do so. The conduct of the Respondent reflects persistent non-compliance and an attitude of willful default under the RE(R&D) Act.

54. The Authority notes that the project “Jaya Diamond” (Registration No. P02200004769) was kept in abeyance during pendency of the Section 7 proceedings. However, as the project registration validity expired on 27.04.2025, the same now stands lapsed by operation of law. Accordingly, there is no necessity of a separate revocation order under Section 7(3), as the registration itself has ceased to exist upon lapse.

55. The consequence of such lapse is explicitly provided under Section 8 of the Real Estate (Regulation and Development) Act, 2016, which empowers the Authority to take appropriate action to ensure completion of the remaining development works through competent agencies, association of allottees, or any other suitable arrangement deemed fit in the interest of the allottees. Therefore, in the present case, the Authority deems it appropriate to invoke Section 8 of the RE(R&D) Act and proceed to take necessary steps to secure completion of the project and safeguard the interests of the allottees.

G. Invocation and Scope of Section 8 of the RE(R&D) Act, 2016:

56. Before proceeding to determine the consequential course of action in the present matter, this Authority deems it appropriate to comprehensively examine the statutory mandate embodied under Section 8 of the Real Estate (Regulation and Development) Act, 2016

Section 8: Obligation of Authority consequent upon lapse of or on revocation of registration.

8. Upon lapse of the registration or on revocation of the registration under this Act, the Authority, may consult the appropriate Government to take such action as it may deem fit including the carrying out of the remaining development works by competent authority or by the association of allottees or in any other manner, as may be determined by the Authority:

Provided that no direction, decision or order of the Authority under this section shall take effect until the expiry of the period of appeal provided under the provisions of this Act:

Provided further that in case of revocation of registration of a project under this Act, the association of allottees shall have the first right of refusal for carrying out of the remaining development works.

57. A plain and purposive reading of Section 8 makes it abundantly clear that the legislature has consciously vested this Authority with wide, supervisory, and remedial powers to ensure that a stalled or defaulted project does not descend into permanent abandonment merely because of promoter incapacity or misconduct. Section 8 is not merely procedural, it is a substantive protective mechanism designed to prevent projects from becoming economic carcasses and to safeguard the life savings of homebuyers.

58. In the present case, the registration of the project “Jaya Diamond” (Registration No. P02200004769) has lapsed by operation of law on 27.04.2025. Even prior to such lapse, proceedings under Section 7 were initiated and the registration was kept in abeyance owing to persistent, repeated, and systemic defaults committed by the Respondent–Promoter. The material placed on record, including:

- a) The ESCI Technical Inspection Report showing only approximately 6% completion of construction;
- b) Collection of over Rs. 23,26,85,905/- from allottees;
- c) Absence of credible financial disclosures;
- d) Failure to upload statutory quarterly updates;
- e) Violation of Section 13 of the RE(R&D)Act by collecting more than 10% without execution of Agreements for Sale;
- f) Discrepancies between uploaded and executed Agreements;
- g) Non-refund to cancellation-seeking allottees
- h) Repeated non-appearance before this Authority;
- i) Admission of inability to secure funding or development partners
- j) Reccuring behaviour in various project of the Promoter namely- Jaya Gold, Jaya Platinum, Western Galaxy, Western Weaves, Little Woods-Kondapur

collectively establish not mere delay, but structural and financial incapacity coupled with regulatory defiance.

59. The Authority cannot lose sight of the broader pattern of conduct of the Respondent. It has been brought on record that across multiple projects undertaken by the same promoter, numerous complaints were adjudicated and some of them pending, in several instances marketing and sales were undertaken without registration under the RE(R&D) Act, and in at least one other project, namely “Jaya Platinum” (Complaint No. 1269/2023 & Ors., dated 02.12.2024), the promoter was declared a defaulter under Section 7(4)(a). The present default is therefore not isolated but forms part of a repeated course of conduct demonstrating disregard for statutory obligations.

60. Section 8 is triggered not merely upon formal revocation but also upon lapse of registration. The legislative design ensures that the interests of allottees do not evaporate with the promoter’s registration. Once the project stands lapsed or revoked, the Authority assumes a statutory obligation not discretion in the abstract, but a duty in substance to ensure that the remaining development works are carried out in a manner that secures completion

61. The second proviso to Section 8 is particularly significant. It confers upon the Association of Allottees the first right of refusal to carry out the remaining development works. This statutory recognition reflects the central philosophy of the RE(R&D) Act, that the ultimate stakeholders in a real estate project are the allottees, and that regulatory intervention must prioritize their collective interest.

62. In the present case, the Jaya Diamonds Welfare Association (Registration No. 23 of 2024), representing nearly sixty (60) allottees, has unequivocally expressed its desire not for refund but for completion. The Association has lost confidence in the Respondent–Promoter and has specifically prayed for invocation of Section 8 so that the project may be transferred to the Association for completion. This unified stand of the allottees carries significant weight and reflects commercial and residential realities many allottees having already paid more than fifty per cent of the sale consideration.

63. The Authority is mindful that Section 8 does not mandate automatic displacement of the existing promoter in every case of lapse. There may arise exceptional circumstances where delays are attributable to force majeure events or regulatory impediments beyond the promoter’s control, and where the promoter demonstrates bona fide intent, financial capacity, and a credible time-bound completion plan. In such circumstances, regulatory discretion may be exercised to permit continuation under strict supervision.

64. However, the present case is fundamentally distinguishable. The Respondent has Admitted incapacity to continue, Failed to secure funding despite substantial collections, Abandoned proceedings before this Authority, Furnished vague and non-quantifiable proposals, Misled stakeholders with repeated false assurances and Engaged in systemic violations across projects. The Authority finds no mitigating factor, no exceptional circumstance, and no credible rehabilitation proposal warranting further indulgence.

65. The jurisprudence on the subject further fortifies this interpretation. The *Neelkamal Realtors Suburban Pvt. Ltd. v. Union of India* upheld the constitutional validity of the RE(R&D) Act and recognized the wide amplitude of powers conferred upon the Regulatory Authority to intervene in order to secure completion of projects and protect allottees’ interests. The Court acknowledged that such regulatory intervention is in furtherance of public interest and consumer protection.

66. Further, in *Bikram Chatterji v. Union of India*, the Hon’ble Supreme Court, while dealing with large-scale defaults in real estate projects, emphasized that stalled housing projects cannot be permitted to languish indefinitely and that mechanisms must be employed to secure completion in order to protect homebuyers. The Supreme Court underscored that regulatory and

judicial authorities must adopt a proactive approach to ensure delivery rather than allow projects to collapse under promoter.

67. Guided by the statutory text, legislative intent, and binding judicial precedents, this Authority is satisfied that:

- a) The promoter is no longer in a position financially, administratively, or bona fide to complete the project;
- b) Continued association of the Respondent would only prolong stagnation and prejudice the allottees;
- c) The project cannot be permitted to remain in a state of suspended animation,
- d) The Association of Allottees has demonstrated collective intent and readiness to assume responsibility, subject to regulatory supervision.

68. The RE(R&D) Act is a welfare legislation. It was enacted to restore faith in the real estate sector, ensure transparency, and provide time-bound remedies. If, despite overwhelming defaults, this Authority were to permit the Respondent to retain control, it would amount to rendering Section 8 otiose and defeating the object of the statute.

69. The allottees in the present project have waited for years. Construction has stagnated at foundational level, financial transparency is absent, and regulatory directions have been ignored. The Authority cannot, in equity or in law, allow the allottees to remain indefinitely at the mercy of a promoter who has demonstrably abdicated responsibility.

70. Accordingly, this Authority holds that the present case squarely warrants invocation of Section 8 of the RE(R&D) Act. The lapse of registration of “Jaya Diamond” (P02200004769), coupled with the promoter’s systemic defaults and admitted incapacity, necessitates transfer of the remaining development works to a competent mechanism in accordance with Section 8.

71. In view of the statutory first right conferred upon the Association of Allottees, and considering their categorical stand seeking completion, this Authority is inclined to proceed with necessary consultations and regulatory steps for facilitating handover of the project to the Association of Allottees.

72. This exercise is not punitive, it is remedial. It is undertaken not to penalize the promoter alone but to rescue the project, preserve the investments of homebuyers, and restore the regulatory integrity envisaged under the RE(R&D) Act. The Authority, therefore, concludes that invocation of Section 8 is not merely justified it is imperative in the facts and circumstances of the present case. The interests of justice, equity, statutory mandate, and public confidence in the regulatory framework all converge toward ensuring that the project is

completed through an alternative, credible, and accountable mechanism under the aegis of this Authority.

73. Having considered Section 8 of the Real Estate (Regulation and Development) Act, 2016, this Authority now proceeds to examine the organizational, financial, and structural capability of the Jaya Diamonds Welfare Association to undertake and complete the remaining development works of the project.

74. From the tabulation placed on record, it emerges that out of the total 83 units comprised in the project, 63 flat owners are presently before this Authority through the Jaya Diamonds Welfare Association. This constitutes more than two-thirds of the total allottees in the project. It is further placed on record that 12 units are presently mortgaged before competent financial institutions. The existence of such encumbrances has been duly noted and shall be addressed in accordance with law during the implementation phase.

75. The details of the allottees, nature of agreements executed, payment status, and amounts collected, as submitted by the Association, are tabulated below for ready reference:

S. No.	Name	Flat No.	Consent	MOU / Sale Deed / AOS	Status of Payments	Amount (Rs.)
1	Vuppuluri Yashwanth	G1		Sale Deed		
2	Gopi Dakamari	G2		Sale Deed		
3	Papana Lakshmi Samrajyam	G3		Sale Deed		
4	Dasari Lakshmi Sailaja	G4	Received	Sale Deed	Pending	
5	Satti Geetha Reddy	G5	Received	Sale Deed	Statement	6370500
6	Sattu Vivekardhana Reddy	G6	Received	Sale Deed	Statement	6370500
7	M V R Yashwant Reddy	G7	Received	Sale Deed	Received	4509500
8	Venkata Ramana	G8	Received	MOU	Received	4773750
9	Naveen Kumar Arumalla	G9				
10	Manda Lakshmi Bhargavi Reddy	G10		Sale Deed		
11	K Ravali	G11	Received	Sale Deed	Received	4760000
12	T R Vijaya Lakshmi (Krishna Reddy)	G12	Received	AOS	Received	3527000
13	Pushpa Latha	G13		Sale Deed		
14	Nagababu D	101	Received	MOU	Received	3631250
15	J Venu Prasad	102	Received	MOU	Received	2100000
16	Khursheeda Yadiki Nasiruddin	103	Received	MOU	Received	1500000
17	Azad Hussain	104	Received	MOU	Received	1500000
18		105				
19	Penthala Raju	106	Received	MOU	Received	2246125
20	Machanuru Sree	107	Received	Sale Deed	Received	4987500

	Vatsala					
21	Nagubandi Hari Prasad	108		Sale Deed		
22		109				
23	Gudipati Prakash Rao	110	Received	MOU	Received	2142000
24	Mallikarjuna Manda	111	Received	MOU	Received	2900000
25	Eggada Supriya	112	Received	MOU	Received	2150000
26	Ram Babu	113	Received	MOU	Received	3624500
27		114				
28	Satya Narayana Reddy	201	Received	Pending	Received	3870000
29	Musirika Nagarjuna Reddy	202	Received	Pending	Received	4046000
30	Mirza Qudsiya Begum	203	Received	MOU	Received	3800000
31	Dasari Lakshmi Sailaja	204	Received	Sale Deed	Pending	
32	M P V S Naidu	205	Received	MOU	Received	2000000
33	M Bhargavi Reddy	206		Sale Deed		
34	Sujana Kaluva	207	Received	MOU	Received	4702500
35	Garlapati Upender Reddy	208				5985000
36	V Rama Rao	209	Received	MOU	Received	3927000
37	P V K Kishore Kumar	210	Received	Pending	Received	4000000
38	Y Thirumala	210	Received	AOS	Received	2437000
39	Sudha Bhanu (Durga Prasad)	211	Received	MOU	Received	1000000
40	Shekhar Methuku	213	Received	MOU	Received	2319905
41	Oruganti Mahesh Reddy	214	Received	Pending	Received	6000000
42	Naveena (Sudheer Reddy K)	301	Received	MOU	Received	
43	Venakata Prasad	302	Received	MOU	Received	2200000
44	Jogu Shiva Punneeth	303	Received	Sale Deed	Pending	3808000
45		304				
46		305				
47	K V Veena	306	Received	MOU	Received	3927000
48	N Lakshmi	307	Received	MOU & AOS	Received	5700000
49	Bhaskar Rao G	308	Received	Sale Deed	Received	5130000
50	Polu Srinivas	309	Received	Sale Deed	Pending	4500580
51	Laxman Rao G	310	Received	Sale Deed	Received	3867500
52	T Gayatri	311	Pending	Sale Deed	Received	3300000
53	Lavu Sarala Rani	312	Received	Sale Deed	Pending	
54	Rama Reddy K	313	Received	MOU	Received	4000000
55	Ramu Chilakamarri	314	Received	MOU	Pending	4773000
56	B Koti Reddy	401	Received	MOU	Received	
57	Sudarshan Chintakindi	402	Received	Sale Deed	Pending	3880000
58	J Naveen Prasad	403	Received	MOU	Received	4100000
59		404				
60	Chittimalla Mallaiah	405	Received	Sale Deed	Pending	3880000

61	M Priyanka	406				
62	Loka Pavani Vunnava	407				
63	Bolla Geetha	408		Sale Deed		
64	Narasimha Alladi	409	Received	Sale Deed	Received	3867500
65	Rama Rao	410	Received	Sale Deed	Received	3867500
66	K Prathyusha	411	Received	MOU	Received	2201500
67	Srinivas K	412	Received	AOS	Pending	
68	Kanna Munichandra	413	Received	MOU	Received	2142000
69		414				
70	Sandhya Rani (Ravi Kumar S)	501	Received	MOU	Received	
71	Kiran Kumar	502	Received	Sale Deed	Received	4760000
72	Neduri Chandrakala	503		Sale Deed		
73	G Hemanth Reddy	504	Received	MOU	Received	1500000
74		505				
75	Pola Sirisha c/o M Omkar	506	Received	Sale Deed	Received	4760000
76	Bhaskara Satya Prasad	507	Received	MOU	Received	1000000
77		508				
78		509				
79	Venkatesh	510	Received	MOU	Received	1022000
80	Bhaskar Pemmasani	511	Received	MOU	Received	3046000
81	Md Nisar	512	Received	Sale Deed	Received	3800000
82	Dastha Giri Reddy	513				
83	Manda Lakshmi Bhargavi Reddy	514				

76. Upon recording such majority intent, this Authority directed the Complainant Association to submit a structured and comprehensive revival proposal, including:

- a) Revised construction cost assessment.
- b) Financial pooling mechanism and contribution structure;
- c) Identification of execution agency/contractor;
- d) Stage-wise construction schedule;
- e) Estimated completion timeline;
- f) Proposed payment schedule;
- g) Mechanism for addressing mortgaged units and coordination with secured creditors;
- h) Undertaking to comply with all statutory approvals and regulatory filings.

77. The Association initially submitted proposals, which upon scrutiny were found to require clarification. Accordingly, further directions were issued for rectification and detailed substantiation. Thereafter, the Association submitted a revised and consolidated proposal dated 16.02.2026, accompanied by undertakings from its office bearers and participating allottees.

The proposal includes a structured financial pooling model, phased construction plan, tentative execution timeline, and internal accountability mechanism.

78. This Authority has carefully scrutinized the proposal submitted by the Jaya Diamonds Welfare Association in the backdrop of the entire material available on record. The scrutiny has been undertaken keeping in view the ESCI technical inspection findings, which reveal that the project has progressed only to the extent of approximately six per cent completion. The Authority has further considered the substantial amounts already collected by the Respondent Promoter from the allottees, the financial exposure and vulnerability of the homebuyers, the complete absence of any viable or time-bound completion proposal from the Respondent, and the categorical admission of incapacity expressed by the Respondent during the course of earlier hearings.

79. The lapse of the project registration, the statutory mandate embedded under Section 8 of the Real Estate (Regulation and Development) Act, 2016, and the first right of refusal conferred upon the Association of Allottees have also been taken into due consideration. The Authority has examined the matter not merely from a procedural standpoint, but from the standpoint of ensuring substantive justice and safeguarding the legitimate expectations of the allottees, whose life savings are locked in the project.

80. Upon an overall appreciation of the facts and circumstances, this Authority is satisfied that the Respondent–Promoter has irretrievably failed in the discharge of its statutory and contractual obligations. The material on record demonstrates not a temporary setback, but a structural inability and unwillingness to complete the project. The project, in the considered opinion of this Authority, cannot be revived under the control of the existing promoter.

81. At the same time, the Association of Allottees has demonstrated organizational cohesion, majority backing, and a structured proposal for revival. The financial pooling mechanism, stage-wise construction plan, and undertakings furnished by the Association, when viewed in conjunction with regulatory supervision, appear feasible and implementable. Continuation of the present stalemate would only aggravate the prejudice already suffered by the allottees and would defeat the very object of the RE(R&D) Act.

82. Accordingly, in exercise of the powers conferred under Section 8 of the Real Estate (Regulation and Development) Act, 2016, and upon due consideration of the entire material on record, this Authority holds that the project “Jaya Diamond” (Registration No. P02200004769) shall be handed over to the Jaya Diamonds Welfare Association for the regulated, and

supervised purpose of completing the remaining development works, subject to conditions and regulatory oversight to be specified hereinafter.

83. In accordance with the mandate under Section 8 of the Real Estate (Regulation and Development) Act, this Authority has consulted the Government of Telangana through Letter No. 1849/TGRERA/2024 dated 20.02.2025, and the requisite permission has been granted via Memo No. No. 5791/Plg.III/2024 dated 12.09.2025.

H. Directions of the Authority:

84. In the light of these aspects, the Authority proceeds to pass the following Order:

1. The Jaya Diamonds Welfare Association is hereby permitted under Section 8 of the RE(R&D) Act, 2016 to take over the project “Jaya Diamond” (Registration No. P02200004769) for the regulated purpose of completing the remaining development works.
2. The project shall be completed within a period of 24 months, with a grace period of 3 months, commencing from the date of formal handing over of possession and records.
3. A monitoring committee shall be constituted consisting of officials of the Authority dedicated to overseeing the project's progress and construction. This committee shall include an official from the MA&UD Department, a representative from ZC/DC OF Cyberabad Municipal Corporation Hyderabad, the Local SRO or their nominee, the Local Tahsildar or their nominee as nominated by the DRO, an officer from TG RERA, one member nominated by CREDAI, one member nominated by NAREDCO, Secretary of UFERWAS-United Federation of Resident’s Welfare Associations, Treasurer and President of Association of Allottees, and one member from ESCI. Additionally, a concurrent auditor shall be appointed by the Association to carry out audits on a concurrent basis. The Convener of the Monitoring Committee shall be the Executive Director-I of TG RERA. Updates on the committee’s activities and progress shall be presented to the Authority during its monthly meetings, preferably in the 4th week of every month.
4. The association shall not inherit any liability incurred by the respondent-promoter in the past. Any liability incurred by the respondent/promoter in respect of the project shall remain with the responsibility of the respondent /promoter only. The Association shall take over the project free from all charges, liabilities, or encumbrances. All demands from local or state authorities against the respondent-promoter for liabilities incurred before the project's takeover shall be directed to the respondent-promoter.

5. The General Body of the Association of Allottees shall form a "Core Management Committee" (hereinafter referred to as the CMC) within the Association to oversee the completion of the project. The committee may include individuals from the Association with relevant expertise and shall consist of the following positions:
 - (a) Chairman: Responsible for overseeing the entire project.
 - (b) Treasurer: Responsible for managing finances and budgets.
 - (c) Project Manager: Responsible for supervising construction and liaise with the contractor/s.
 - (d) Legal Advisor: Responsible for handling legal compliance and documentation.
 - (e) Communication Officer: Responsible for engaging with allottees regularly and communicating important or critical updates to them.
6. The Association must issue tender notices/invitations for prospective bidders to undertake construction works for the project. After receiving tenders, contracts will be awarded to the lowest bidders with the Approval of the General Body of the allottees. The Association is advised to prepare proper tender documents in consultation with subject matter experts, divided into two parts: a technical bid and a financial bid. Only those bidders who qualify in the technical bid should have their financial bids opened. Tender notices and associated documents must be approved by the Core Management Committee (CMC) of the Association of Allottees. The tenders should be opened and evaluated by the CMC, and upon their approval, the final recommendations should be presented to and approved by the General Body of the Association of Allottees. Once approved, the same should also be submitted to the Monitoring Committee.
7. The Core Management Committee (CMC) of the Association of Allottees shall ensure that each contractor or agency involved in the project appoints a senior representative who will be available on a regular basis at predetermined times to provide updates on the progress of the project and address any concerns raised by the allottees. The contact details (including phone numbers and email addresses) of the appointed representatives shall be made available to the allottees and prominently displayed on a permanent notice board at the project site. These contact details shall also be submitted to the Monitoring Committee for record-keeping.
8. The Authority clarifies that, before awarding tenders, at least 25% of the total funds required for project completion should be collected and placed into the association's project escrow account. This ensures a smooth flow of construction once work begins.

The balance sale consideration for customers with executed agreements of sale/MOUs shall be collected and managed by the association.

9. The Association of Allottees shall maintain a dedicated and exclusive project escrow account with a scheduled bank for the purpose of receiving, managing, and disbursing all funds pertaining to the completion of the project.
10. All monies received from the allottees, proceeds from sale or auction of unsold/cancelled units, financial contributions, or funds from any other lawful source in connection with the project shall be deposited strictly into the said escrow account. The funds so deposited shall be utilized exclusively for the construction, development, statutory compliances, professional charges, and other expenditures directly incidental and necessary for completion of the project. No diversion of funds for any unrelated purpose shall be permitted.
11. The Association has placed on record the details of the project account proposed to be operated as the escrow account, which are as follows:

Account Name: Jaya Diamond Welfare Association

Account Number: 00000044200897061

IFSC Code: SBIN0020072

Bank & Branch: State Bank of India, Hyderabad – Panjagutta Branch, 6-3-542/2 A-E, Adjacent to NIMS Lane

The aforesaid account shall be operated strictly in accordance with the financial discipline prescribed under this Order and shall remain subject to concurrent audit and monitoring by the Monitoring Committee constituted herein. Any change in account particulars shall be made only with prior intimation to and approval of this Authority.

12. The respondent shall initiate the refund for cancelled units by the initial allottees within 60 days from the date of this order or upon receipt of proceeds of resale of cancel unit whichever is earlier. The association of allottees shall utilize the sale proceeds from open sale of cancelled units for project completion.
13. Vacant units and cancelled units may be sold or auctioned strictly through transparent process, after issuing public notice. Sale proceeds shall be credited exclusively to the project escrow account and used only for project completion. Refunds, if any, payable to cancellation-seeking allottees prior to takeover shall remain the liability of the Respondent–Promoter. Any liability on sold units, including title transfer, shall remain the responsibility of the respondent/promoter.

14. The Association must maintain meticulous records of income and expenditure. Statements of all monthly receipts and payments shall be presented before the General Body of the Association of Allottees in its monthly meeting. The association's escrow bank account shall be operated through joint signatures of two/three nominated persons, authorized by the General Body of the Association.
15. All receipts from any source must be credited to the escrow bank account of the association.
16. All works contracts/tenders valued below Rs. 10 lakhs shall be presented to the Core Management Committee (CMC) for approval. Contracts/tenders exceeding Rs. 10 lakhs shall be presented to the General Body of the Association of Allottees for approval. General Body meetings may be held as often as necessary, but not less than once every six months
17. All payments should be approved by the Governing Body of the respective association.
18. The association is free to deal with non-member or non-paying allottees at their discretion. Decisions in this regard should be made in the General Body meeting of the association.
19. The respondents, at any stage prior to awarding contracts for construction to successful bidders, are free to arrange funds and demonstrate their capability to complete the project before the Authority's monitoring committee. The Committee will consider such requests, and an opportunity will be given to the respondent's company to deposit requisite funds in a dedicated account for project completion.
20. All development and construction works shall take place in accordance with plans approved by the competent authority. No deviation shall take place from the approved sanctioned plan.
21. The Association shall approach the concerned competent regulatory/statutory authorities for seeking/renewing such permissions/approvals for completion of balance development work and for handing over possession of units to allottees as may be required.
22. The Association will be bound by the terms and conditions of the existing and future agreements for sale, barring the payment of penalties and compensation to the allottees, if any, and shall be responsible for completion of the project within the stipulated time.
23. The Core Management Committee (CMC) shall, within a period of fifteen (15) days from the date this Order comes into effect, constitute an Internal Grievance Redressal Committee for the purpose of addressing inter-allottee disputes and issues arising

during the course of project execution. The said Committee shall adopt a transparent and time-bound procedure for consideration of grievances and shall maintain proper records of complaints received and decisions taken thereon. In the event any dispute remains unresolved at the internal level, the aggrieved party may place the matter before the Monitoring Committee constituted under this Order for appropriate guidance and resolution. This mechanism shall not, however, preclude any party from availing statutory remedies available under the RE(R&D) Act, 2016 or other applicable laws.

24. Allottees who have voluntarily submitted written consent before this Authority for takeover and completion of the project by the Jaya Diamonds Welfare Association shall be bound by such consent and by the revival framework approved under this Order. Such consenting allottees shall not raise claims against the Association in respect of defaults, delays, or contractual breaches attributable solely to the Respondent–Promoter, M/s Jayathri Infrastructures Pvt. Ltd., prior to the date of takeover. Any claims arising out of promoter defaults prior to takeover shall lie exclusively against the Respondent–Promoter, in accordance with law.
25. Upon the Order taking effect and takeover being completed, consenting allottees shall be obligated to contribute their respective agreed share of funds toward completion of the project, as approved by the General Body and in accordance with the financial plan placed before this Authority.
26. In the event any consenting allottee seeks to withdraw from the revival scheme after takeover and commencement of construction, such withdrawal shall be governed by resolutions of the General Body, subject to financial feasibility of the project and without jeopardizing collective completion. The Association shall not be compelled to refund amounts already pooled for construction if such refund would prejudice project completion due to outflow of funds.
27. Allottees who, prior to the date of this Order, have expressly sought refund and have not furnished consent for takeover shall not be treated as part of the revival mechanism. The liability to refund such allottees shall remain that of the Respondent–Promoter, who is directed to process and pay such refunds within a period of sixty (60) days from the date of this Order, in accordance with law.
28. No charge/Security or any other arrangement with any third party, other than as contemplated herein, shall be made without prior approval of this Authority.
29. The Association and its office bearers shall be individually and jointly responsible for compliance of this order and all relevant provisions of RE(R&D) Act, TG RE(R&D)

Rules and Regulations and the provisions of all other relevant Acts and rules including maintenance of financial discipline and proprietary.

30. The monitoring committee will suitably guide the Association and appraise the Authority about the status of the project from time to time. The Authority will monitor the progress of the Association on a monthly basis duly examining all aspects including the proceedings of General Body monthly meetings.
31. The Association, after completion of the project, shall apply to the competent authority for Occupancy certificate as provided under the local laws.
32. It is clarified that the project has been handed over to the association free from liabilities and encumbrances. All liabilities and encumbrances upon the project before the date of this order will remain the responsibility of the respondent-company. Loans raised from financial institutions, dues payable to the state government, other liabilities towards suppliers, contractors, financiers, and the general public shall continue to be the liability of the respondent company, and the association will have no responsibility for discharging those liabilities.
33. The respondent shall immediately hand over possession of the project to the Association. Details of available inventory shall be prepared at the time of handing over, and detailed handing over. Respondents are hereby prohibited from interfering in the available assets and inventory of the project.
34. The Complainant Association shall not market, advertise, book, allot, or create any third-party rights in respect of any unsold or vacant units comprised in the project without prior written approval of the Monitoring Committee constituted under this Order. Any proposed sale or disposal of such units shall be undertaken only through a transparent process, in accordance with the financial revival plan approved by this Authority, and the entire sale consideration shall be deposited exclusively into the designated project escrow account.
35. Any violation of this direction shall be viewed seriously and may invite appropriate action under the provisions of the RE(R&D) Act, 2016.
36. The project being handed over under Section 8 of the RE(R&D) Act, 2016, the Respondent–Promoter shall stand divested of all rights to deal with, market, advertise, sell, alienate, encumber, mortgage, assign, or create any third-party interest whatsoever in respect of any unit, common area, or portion of the project “Jaya Diamond” (Registration No. P02200004769). The Respondent–Promoter is expressly restrained from entering into any agreement, arrangement, understanding, or transaction of any

nature in relation to the project or its inventory. Any transaction entered into in contravention of this direction shall be void and shall not create any enforceable right against the project or the Association of Allottees.

37. A copy of this Order shall be communicated to the Directorate of Town and Country Planning (DTCP), Hyderabad; the Commissioner, Hyderabad Metropolitan Development Authority (HMDA); the Commissioner, Cyberabad Municipal Corporation; the Zonal Commissioner, Quthbullapur Zone; Deputy Commissioner, Nizampet Circle CMC; the concerned Police Authorities; and the District Collector, Medchal–Malkajgiri District, with a request to extend necessary assistance and provide adequate security to the Association of Allottees at the time of taking over possession of the project, if so required.
38. A copy of this Order shall also be forwarded to the jurisdictional Sub-Registrar concerned, with a direction that no document, instrument, agreement, conveyance, or any other record purporting to create or transfer any right, title, interest, charge, or encumbrance in respect of any unit or portion of the project “Jaya Diamond” (Registration No. P02200004769) shall be registered at the instance of the Respondent–Promoter or any person claiming through or under him, without prior written approval of this Authority, until further orders. This direction is issued in exercise of powers under Section 8 of the RE(R&D) Act, 2016, to ensure that no third-party rights are created during the subsistence of the present regulatory arrangement.
39. The Secretary, Telangana Real Estate Regulatory Authority (TG RERA), is hereby directed to initiate all necessary administrative steps for the constitution and operationalization of the Monitoring Committee in terms of this Order. The Committee shall be formally notified at the earliest. Further, the Secretary is directed to upload this Order on the project registration web page of the TG RERA website forthwith.

Sd/-
Sri. K. Srinivas Rao,
Hon’ble Member
TG RERA

Sd/-
Sri. Laxmi NaryanaJannu,
Hon’ble Member
TG RERA

Sd/-
Dr. N. Satyanarayana, IAS (Retd.),
Hon’ble Chairperson
TG RERA