

**BEFORE THE ADJUDICATING OFFICER,
TELANGANA REAL ESTATE REGULATORY AUTHORITY,
HYDERABAD.**

Dated, this, the 24th day of MARCH, 2025.

Present:- Sri Syed Lateef-ur Rahman,
Adjudicating Officer.

C.C.P.No.04/2024/TG RERA

Between:

- 1) Sri Adepu Srikanth S/o Adepu Muttulingam, Aged: 31 yrs,
Occ: Pvt.employee, Flat No.205, Maha Homes, Muthyam
Block, Isnapur PO, Sanga Reddy District – 502307.
- 2) Sri Sirikonda Ashok Kumar S/o Sirikonda Upender,
aged: 37 yrs, Occ: Pvt. employee, Flat No.302,
Maha Homes, Muthyam Block, Isnapur PO, Sanga Reddy
District – 502307.
- 3) Sri Gangisetty Satish Babu S/o Gangisetty Venkateswarlu,
aged: 39 yrs, Occ: Pvt.employee, Flat No.303, Maha
Homes, Muthyam Block, Isnapur PO, Sanga Reddy
District – 502307.
- 4) Smt.Kandhi Alekhya W/o Dharavath Ramesh, aged: 32 yrs,
Occ: Pvt.employee, Flat No.403, Maha Homes, Muthyam
Block, Isnapur PO, Sanga Reddy District – 502307.
- 5) Sri Boojanapalli Naga Sunil Kumar S/o Boojanapalli
Naga Raju, aged: 30 yrs, Occ: Pvt. employee, Flat No.505,
Maha Homes, Muthyam Block, Isnapur PO, Sanga Reddy
District – 502307.

...Complainants.

And

- 1) M/s.Maha Homes, rep., by Santhosh Kumar Gundla & Rupali
Raul, Plot No.131/P and 132/P, Alkapur Township, Rajender
Nagar, Manikonda, Ranga Reddy District 500 089.
- 2) Sri Gundla Santhosh Kumar S/ late Anand, Partner,
M/s.Maha Homes, aged: 44 yrs, Occ: Business R/o H.No.3-5-4,
Indiranagar, Ramanthapur, Amberpet, Hyderabad 500 013.
- 3) Smt.R.Rohini W/o Raul Ratnakar, rep., by her GPA holder,
aged: 62 yrs, Occ: Housewife, R/o H.No.13-1-13/2/35/C,
Mangalhat, Amamnagar, Hyderabad 500 006.

...Respondents.

This complaint came up for hearing before me on 24.02.2025 in the presence of Sri A.Naveen Reddy and Sri K.Uday Kumar, Advocates for the Complainants and Respondent Nos.1 to 3 remained *ex parte*; upon perusing the material on record and on hearing argument of learned Counsel for the

complainants and having stood over for consideration till this day, the following order is passed:

ORDER

Complainant Nos.1 to 5 have filed present complaint under Section 31 of Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as 'the Act') read with Section 71 of the Act against Respondent Nos.1 to 3 to award compensation.

CASE OF THE COMPLAINANTS:

2(a). The case of the complainants, as revealed from the complaint, is that Respondent No.1 is a builder. Respondent No.2 is a partner of builder and Respondent No.3 is GPA holder of Respondent Nos.1 and 2.

2(b). Respondent Nos.1 to 3 are the absolute owners and possessors of open plots bearing Nos.87, 87/part and 88 total admeasuring 1066 Sq.yards in Sy.No.386 situated at Isnapur village, Patancheru Mandal, Sanga Reddy District having purchased vide Sale Deeds bearing Document Nos.11192/2019, dt.11.03.2019 and 19588/2019, dt.02.05.2019. The respondents got permission from HMDA dt.31.01.2020 for construction of stilt + 5 floors on an extent of 891.22 Sq.Meters. Later, the respondents have completed construction and obtained Occupancy Certificate dt.11.04.2022. However, the respondents failed to get the Project MAHA HOMES - MUTYAM registered with RERA authority.

2(c). It is stated that Respondent No.2 made a promise to the complainants that the Project would be finished by 31.03.2021 during the process of

purchase of Flats, which they could not do. As such, the Occupancy Certificate was issued on 11.04.2022.

2(d). According to the complainants, the respondents did not make construction as per HMDA approval. The material used was of low quality leading to multiple cracks in walls within a year and damage to the floor and slab. Respondent No.2 collected Rs.45,000/- (Rs.Forty Five Thousand only) from the complainants promising to provide drinking water connection, but failed to keep up the promise. He returned the said amount after a period of two years. The respondents have also failed to provide water purifier provision as promised.

2(e). It is further pleaded that the respondents have constructed two Blocks by name Maha Homes - *Madhuram* and Maha Home - *Muthyam* side by side. The water tank constructed for Maha Homes *Muthyam* is next to Maha Homes *Madhuram* septic tank and as a result of which, the water pollutes and causes health problem. The respondents also did not follow the guidelines in G.O.Ms.No.168, dt.07.04.2012 with regard to Car parking. Fire Safety protection has also not been provided as per TS Fire Service Act, 1999, which resulted in fire accident. The respondents have also failed to provide separate Transformer to Maha Home - *Muthyam* Block as per HMDA approval. There is only one Transformer provided to Maha Homes - *Madhuram* Block which is also to be used by Maha Home - *Muthyam* Block and this was opposed by the owners of said two Blocks.

2(f). The complainants also plead with regard to failure of respondents either in construction as per HMDA approval or providing facilities under

law. According to them, the respondents have failed to provide all necessary documents and also failed to clear dues of taxes and electricity charges. The respondents have collected additional amount of Rs.6,000/- (Rs. Six Thousand only) from each complainant for affecting mutation, but failed to provide the same. They have also failed to lay B.T.roads as required. The painting done to the Flats is with poor quality of painting material, which totally vanished within six months. It is stated that construction was done with poor quality of material including the construction of security room. Plumbing and Electrical works have also been done with poor quality material.

2(g). Therefore, the complainants pray to award compensation, in all, Rs.1,08,00,000/- (Rs.One Crore and Eight Lakhs only) for delay in giving possession to the complainants and under different heads as under:

- i) An amount of Rs.25,00,000/- (Rs.Twenty Five Lakhs only) as compensation for collecting amount as stated above and failed to provide drinking water connection and for failure to provide water purifier provision.
- ii) An amount of Rs.20,00,000/- (Rupees Twenty Lakhs only) as compensation for constructing water tank and septic tank side by side causing water contamination and health issues.
- iii) An amount of Rs.2,50,000/- (Rs.Two Lakhs and Fifty Thousand only) as compensation for collecting amounts from the complainants to affect mutation.
- iv) An amount of Rs.25,00,000/- (Rs. Twenty Five Lakhs only) as compensation towards deficiency in service, for using poor quality of material, unfair trade practice and failure to provide separate Transformer etc.
- v) An amount of Rs.25,00,000/- (Rs.Twenty Five Lakhs only) as compensation for mental agony and harassment.
- vi) An amount of Rs.50,000/- (Rupees Fifty Thousand only) as compensation towards legal expenses.

The complainants also sought directions to the respondents to allot Car parking as per HMDA approval and G.O.Ms.No.168, dt.078.04.2012 and further direction to fix fire extinguishers and to shift electric meter board panel at a separate location to avoid future fire accident and in case of failure to do so, to award compensation of Rs.10,00,000/- (Rs.Ten Lakhs only).

3(a). After the complaint was numbered and made over to the Adjudicating Officer, notices were issued to Respondent Nos.1 to 3 through Registered Post with Acknowledgment Due and matter was posted on 22.07.2024. Respondent Nos.1 to 3 did not appear and notices sent to them were returned as "addressee left". Since learned Counsel for the complainants submitted that the respondents have appeared before the Authority in Form "M" complaint, but they intentionally avoided to receive notices in this case and that Form 'M' complaint is posted on 07.08.2024, fresh notices were again ordered and the complainants were permitted to serve notices and file proof of service and case was posted on 07.08.2024 at 3.00 PM. On 07.08.2024 at 3.00 PM, Complainant No.6 representing other complainants, was present and Mr.Santosh Kumar Gundla/Respondent No.2 appeared and represented that he is representing Respondent No.1 M/s.Maha Homes and Respondent No.1 Rupali Raul is his wife and R.Rohini/Respondent No.3 is his Aunt and further stated that he is representing them. As such, the case was adjourned to 13.08.2024 for counters of Respondent Nos.1 to 3.

3(b). On 13.08.2024, the complainants have appeared, but Respondent Nos.1 to 3 remained absent and there was no representation on their behalf.

As such, Respondent Nos.1 to 3 have been set *ex parte* and the case has been adjourned for *ex parte* evidence on behalf of the complainants and hearing.

4. The complainants have filed evidence affidavit of Complainant No.1 and additional affidavit of Complainant No.1 and got marked Exs.A1 to A34 in support of their contentions.

5. Heard learned Counsel for the complainants. Learned Counsel for the complainants has also filed written arguments.

6. Now the Point for consideration is *Whether the complainants are entitled for compensation and if so, for what amount?*

POINT:

7(a). A reference to the case of the complainants as pleaded in complaint has been made supra. A perusal of entire complaint and documents filed does not reveal that subsequent to Agreement of Sale and Sale Deeds on record, there is any contract or agreement between the complainants and the respondents under which the respondents are under an obligation to do further acts with regard to construction as pleaded in pleading. Without any such contract or agreement, it is not known as to how the complainants can plead as alleged in the complaint that the respondents have failed to do alleged acts mentioned in complaint and as such they are entitled for compensation, especially when the Agreement of Sale and Sale Deeds on record do not have such terms or do not create such an obligation on the respondents.

7(b). To put it more clear, it has to be noted that the relationship of parties will come into existence by virtue of contract or agreement under law. Unless any relation and obligation is created under a contract or agreement, it cannot be established that such an obligation or contract or agreement is violated by other party. The question of claiming damages or compensation arises when an obligation is created and when such obligation is not properly discharged. In the absence of any such obligation being violated or not discharged, the question of pleading a case about such relation and then obligation to discharge such relation much less claiming compensation may not arise.

8. Now coming to the case on hand, the complainants have filed evidence affidavit and additional evidence affidavit of complainant No.1 and got marked Exs.A1 to A34 in support of their contentions.

9(a). Out of documentary evidence Exs.A1 to 34, the documents relevant to consider the relationship between the parties and contract or agreement on the subject are Exs.A5, 10 and 33. Exs.A5 and A10 are registered Sale Deeds executed by respondent No.3 in favour of complainant No.1 and his wife and Complainant No.2 in respect of their respective semi finished Flats; and Ex.A33 is Agreement of Sale executed by respondent No.2 in favour of complainant No.2 in respect of his Flat with columns, beams and roof.

9(b). First let us have a look at Ex.A33. Ex.A33 is Agreement of Sale executed by respondent No.2 in favour of complainant No.2. There are no such Agreements of Sale executed by the respondents in favour of the other complainants. A perusal of Ex.A33 shows that respondent No.2 has agreed

to sell Flat No.302 on 3rd Floor with columns, beams and roof admeasuring 770 Sq.feet of built up area including balconies, common area and Car parking along with undivided share of land admeasuring 35.5 Sq.yards on Plot Nos.88 and 87/P and Sy.No.386 in building complex known as Muthyam situated at Isnapur village, Patancheru Mandal, Ranga Reddy District.

Similarly, Exs.A5 and A10 are copies of Registered Sale Deeds of different dates for sale of semi-finished Flats bearing Nos.205 and 302 in favour of complainant No.1 and his wife and Complainant No.2 respectively executed by the respondent No.3.

9(c). Thus, the Agreement of Sale Ex.A33 is for sale of Flat No.302 with columns, beams and roof with car parking and the Sale Deeds Exs.A5 and A10 are for sale of semi-finished Flats bearing Nos.205 and 302 as referred above. In none of these documents, there are any further terms and conditions creating obligation on the respondents to attend such and such either in complete works or remaining works. It is not the case of the complainants that beside said documents, there are any other documents executed between them and the respondents creating or fixing such and such responsibility on the respondents and as per such documents, the respondents are under obligation to attend the work of construction etc as pleaded and claimed by them. Therefore, especially in the light of said documentary evidence between the parties and there being no documents binding respondents for the works as alleged and pleaded in the complaint coupled with observations made in Para 7(a) and 7 (b) above, it is very

difficult to accept the contentions of the complainants that the respondents have failed to attend the works of construction etc as pleaded in complaint.

10(a). Learned Counsel for the Complainants strenuously contended that the respondents had violated the provisions of the Act by not getting the Project registered as required under the Act and not providing facilities and not attending construction as per permission obtained. As such, a complaint in Form 'M' vide Complaint No.601/2021 was filed before the RERA Authority, which by order dt.26.09.2023 (Ex.A20) imposed penalty for violating provisions of Sections 3 and 4 of the Act, inasmuch as the Project was not registered with RERA. Therefore, the case of the complainants gets support from the said order of the Authority Ex.A20 and the complainants may be granted compensation.

10(b). I have considered the said submission of the learned Counsel. I have also gone through the said order Ex.A20 of the RERA Authority. A perusal of said order shows that Sri Sreekanth Veerla, Smt.Pampa Modak and Sri Bindhu Madhav Purohit, who are not parties to this case, had filed said complaint and said order Ex.A20 was passed by the Authority.

10(c). In the said order Ex.A20, the RERA Authority referred to facts of said case in Para 2 and 3, which read as under:

"2. The facts of the case, in brief, are that the complainant raised issues with respect to the Respondent Builder not registering its Project with this Authority and further upraised this Authority of the various difficulties faced by the residents of M/s.Maha Homes with regard to septic tank, water tank being side by side, that there is no proper roadway, there are

water leakages and that there is delay in occupation. He also submitted that because the Respondent is not registering its Project with this Authority, the banks are not sanctioning loans. The Complainants also pleaded that the work done by the Respondent on the Project is not as per expectation and accordingly prayed to take action against them in this regard.

3. The Complainant, Sri Srikanth Veerla, along with Complaint has filed an incomplete Agreement of Sale dt.25.11.2019 clearly establishing its rights in the Respondent Builder's residential project. He filed Encumbrance Certificate which determines that the Sale Deed has been entered into between the Respondent Builder and the Complainant Sri Srikanth Veerla on 06.01.2019, along with the HMDA Permission & Plan Copy dated 23.08.2019, Broucher issued by the Respondent Builder and the Sale Deed of the Respondent Builder duly acquiring the land on which the present Residential Project is built. Complainant, Sri Bindu Madhav Purohit filed his registered Sale Deed dated 28.04.2021 entered into between the Respondent Builder and the Complainant, along with Encumbrance Certificate, HMDA Permission & Plan Copy dated 23.08.2019 copy, Broucher issued by the Respondent Builder. ”

The RERA Authority has framed following Issues in Para 6 of the said order Ex.A20 as under:

- i. Whether the Respondent has violated Section 3(1) and 4(1) of the Act, 2016?
- ii. Whether the Parking Space as given in the HMDA Plan is 4, but the Respondent has crammed 20 spaces making it difficult for the cars to pass through the drive way?

Then the RERA Authority has concluded on Issue No.1 in Para 9 as under:-

“9. Since the Authority has already issued a notice dated 08.11.2021 and Reminder Notice dated 01.02.2022 as to why penalty under Section 59 (1) of the Act should not be imposed for violating Section 3 & 4 of the Act, and no reply has been submitted by the Respondent Builder in this regard, therefore, this Authority deems fit that penalty ought to be imposed on the Respondent Builder for apparent violation of the provisions of the Act and the Rules thereunder. Therefore, a penalty of Rs.3,00,000/- (Rupees Three Lakhs only) under Section 59 (1) of the Act for registration of 18 flats @ Rs.15,000/- (Rupees Fifteen Thousand only) each and Rs.15,000/- (Rupees Fifteen Thousand only) each for advertising remaining two Flats in violation of Section 4 of the Act, is imposed on the Respondent Builder payable within 15 days from the date of receipt of this Order in favour of TS RERA FUNDS through Demand Draft or online payment to A/c No.50100595798191, HDFC Bank, IFSC Code: HDFC0007036.”

Thereafter, the RERA Authority considered Issue No.2 and held in Para 10, which reads as under:

“10. As per the HMDA Permission Letter dated: 23.08.2019 vide Application No.025256/SKP/R1/U6/HMDA/28062019, the building permission has been sanctioned for stilt + 5 (five) floors where stilt floor is considered that parking is deemed to be satisfied as per G.O.Ms.No.168, dated: 07.04.2012. Therefore, the parking space is rightly provided by the Respondent.”

Ultimately, the RERA Authority under order Ex.A20 has disposed off the complaint passing orders in Para-11 and 12, which reads as under:

“11. After consideration of the facts and circumstances, this Authority directs the Respondent Builder to register its Project ‘Madhuram’ before this Authority within 15 days of the receipt of this Order, as otherwise action under Section 63 of the Act shall be taken in accordance with law.

12. In lieu thereof, the present complaint stands disposed of.”

10(d). Admittedly, the complainants in Complaint No.601/2021 (Ex.A20) are not complainants in this case. What are the terms and conditions of Agreements or Sale Deeds between the complainants and respondents in said Complaint No.601/2021 do not appear from order Ex.A20. Though from the facts of case in Complaint No.601/2021 noted supra, it was the case of the complainants therein that the Builder Maha Homes constructed septic tank and water tank side by side and that there are no proper roads and there are water leakages, no orders or directions are either sought or given in said order on said aspects. In these circumstances, the said order of the Authority under Ex.A20 would be of no importance or helpful to the complainants, especially in view of the discussion and reasons recorded supra.

11. No doubt, the complainants have filed copy of legal notice dt.20.02.2023 Ex.A12 said to have been issued by one Flat buyer and one Agreement of Sale Ex.A29 executed between Flat buyer and respondent No.2 in respect of sale of Flat No.201 with columns, beams and roof and car parking. The buyer of the said Flat is not a party to the present complaint. Even the contents of said Agreement of Sale Ex.A29 are similar to

documents referred above filed by the complainants in respect of their Flats. It is also not the case of the complainants that there are certain other contracts or agreements between respondents and buyer of said other Flat mentioned in this para to say that as per such contracts or agreements what they contend regarding the failure of the respondents to attend either construction works or other works has to be accepted. As such, the said documents Exs.A12 and A29 will be of no help to the complainants.

12. The complainants have filed several other documents as mentioned in appendix of evidence below. In the absence of any contracts or agreements creating relationship and obligation between the parties, this Authority has no hesitation to observe that the other documents are of no help to the complainants.

13. Learned Counsel for the complainants has advanced the other contentions as mentioned in written arguments in detail. In support of his contentions, he placed reliance on the decisions in M/s.Dwarakamai Residency Owners vs. M/s. Sai Estates Developers rendered on 10.09.2012 by the A.P.State Consumer Disputes Reddressal Commission, Hyderabad and in Siromani Mittasala, Chairman vs. President, Brindavanam Colony [2002 (1) ALD-136]. I have gone through the contentions mentioned in written arguments and the said decisions relied. On a careful consideration of said contentions, I am of the considered view that every case has to be decided in the light of pleadings and contract/agreement between the parties. There being no contracts or agreements between the complainants and respondents creating obligation on the respondents for the claims

made, it is very difficult to find force in the contentions on behalf of the complainants.

14(a). It is also pertinent to note that as per sub-section 4 (a) of Section 11 of the Act, the Promoter shall be responsible for all obligations, responsibilities and functions under the provisions of the Act or the Rules and Regulations made thereunder of allottees as per the Agreement of Sale. Proviso to this sub-section further envisages that the responsibility of the promoter with respect to the structural defect or any other defect for such period as is referred to in sub-section (3) of Section 14 of the Act shall continue even after the conveyance deed of all the apartments, plots or buildings, as the case may be, to the allottees are executed. Sub-section (3) of Section 14 of the Act envisages that in case any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale relating to such development is brought to the notice of the promoter within a period of five years by the allottees from the date of handing over possession, it shall be the duty of the promoter to rectify such defects without further charge, within thirty days, and in the event of failure of promoters to rectify such defects within such time, the aggrieved allottees shall be entitled to receive appropriate compensation as provided under the Act.

14(b). In the instant case, the complainants have failed to plead and prove that there is a contract or agreement between them and respondents with regard to alleged obligations as claimed. Section 11(4) (a) of the Act refers that the promoter shall be responsible for all obligation as per the

Agreement for Sale. It means that there should be first either a contract or agreement before making any claim against other party. In view of this, it appears that the complainants and so also other buyers of Flats in the Project, who approached RERA Authority, did not approach and seek directions from the RERA Authority under Section 37 of the Act to the respondents with regard to alleged unattended works. Therefore, the claim made by the complainants is not tenable.

15. For all the foregoing reasons, the conclusion that emerges on the Point is that the complainants are not entitled for compensation. The Point is answered accordingly.

16. In the result, the complaint is dismissed.

Typed to my dictation, corrected and pronounced by me in open Court on this, the 24th day of MARCH, 2025.

**ADJUDICATING OFFICER,
TG RERA: HYDERABAD.**

APPENDIX OF EVIDENCE
WITNESSES EXAMINED
NONE

Exhibits Marked for Complainant marked by consent.

Exhibit	Date	Description of document
Ex.A1	31.01.2020	Building permission sanction proceedings copy.
Ex.A2	04.07.2019	Copy of Inspection report.
Ex.A3	11.04.2022	Occupancy Certificate.
Ex.A4	22.03.2022	Copy of Inspection report.
Ex.A5	21.09.2022	Copy of Sale-Deed document No.32670/2022
Ex.A6	03.10.2021	Copy of Property Assessment.
Ex.A7	26.04.2023	Copy of Property Mutation Proceedings.
Ex.A8	03.09.2022	Receipt for payment of Rs.1,00,000/- as advance.

Ex.A9	21.08.2022	Receipt for payment of Rs.50,000/- towards Token amount.
Ex.A10	16.06.2021	Copy of Sale-Deed document No.22062/2021.
Ex.A11	03.10.2021	Copy of Property Assessment.
Ex.A12	20.02.2023	Copy of legal notice.
Ex.A13	20.02.2023	Copy of Postal receipt.
Ex.A14	23.02.2023	Copy of Postal receipt.
Ex.A15	Nil	Copy of Track consignment.
Ex.A16	Nil	Copy of Track consignment.
Ex.A17	16.03.2023	Copy of complaint letter.
Ex.A18	16.02.2023	Copy of application filed seeking certain information under RTI Act.
Ex.A19	25.03.2023	Information furnished under RTI Act.
Ex.A20	26.09.2023	Copy of order passed by RERA authority in Complaint No.601/2021.
Ex.A21	02.05.2024	Copy of application filed seeking certain information under RTI Act.
Ex.A22	NIL	Information furnished under RTI Act.
Ex.A23	12.02.2024	Copy of application filed seeking certain information under RTI Act.
Ex.A24	19.03.2024	Information furnished under RTI Act
Ex.A25	12.02.2024	Copy of application filed seeking certain information under RTI Act.
Ex.A26	01.04.2024	Information furnished under RTI Act.
Ex.A27	12.04.2024	Copy of application filed seeking certain information under RTI Act.
Ex.A28	10.05.2024	Information furnished under RTI Act.
Ex.A29	10.09.2020	Copy of Agreement of Sale.
Ex.A30	13.06.2024	Copy of show-cause notice issued by TG RERA
Ex.A31	24.08.2024	Copy of Statement of Encumbrance on Property.
Ex.A32	21.06.2024	Copy of quotation for Lift repairing.
Ex.A33	22.02.2021	Copy of Agreement of Sale.
Ex.A34	01.08.2019	Copy of Occupancy Certificate.

Exhibits Marked for the Respondents:

Ex parte

**ADJUDICATING OFFICER,
TG RERA: HYDERABAD.**

CC.