

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]

9th March 2026

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

Complaint No. 344 of 2025

1. Yalamanchili Srinivasa Rao

*(S/o. Late Radhakrishna Murthy
Aged about 59 years, Occ-Business
R/o. 6261, Prestige High fields,
Financial District, Ranga Reddy District)*

2. Yalamanchili Minaly

*(D/o. Y. Srinivasa Rao
Age: 27 years, Occ- Software Employee
R/o. 6261, Prestige High fields,
Financial District, Ranga Reddy District)*

... Complainants

Versus

1. M/s. Garuda Infra Innovative LLP,

*(Rep by its designated partners i: Mr. Gunda Satish,
S/o Gunda Umakantham, Aged 35 years,
Occ: MD of M/s. Garuda Infra,
G/o. 4th floor, Plot No.1038, Teja's Residency, St.6/B,
Botanical Garden Road, Sriram Nagar,
Kondapur, Hyderabad-500084)*

2. M/s. Garuda Infra Innovative LLP,

*(Rep by its designated partners ii: Mr. Madduru Murali Jagannadh,
S/o Madduru Panduranga Rao, Aged 52 years,
Occ: Manager of M/s. Garuda Infra,
G/o. 4th floor, Plot No.1038, Teja's Residency,
St.6/B, Botanical Garden Road, Sriram Nagar,
Kondapur, Hyderabad-500084)*

3. M/s. Garuda Infra Innovative LLP,

*(Represented by its Manager Rani
Aged 38 years Occ: Manager of M/s. Garuda Infra,
O/o. 4th floor, Plot No. 1038, Teja's Residency, St.6/B,
Botanical Garden Road, Sriram Nagar,
Kondapur, Hyderabad-500084)*

... Respondents

Complaint No. 411 of 2025

1. Yalamanchili Minaly

*(D/o. Y. Srinivasa Rao
Age: 27 years, Occ- Software Employee
R/o. 6261, Prestige High fields,
Financial District, Ranga Reddy District)*

2. Yalamanchili Srinivasa Rao

*(S/o. Late Radhakrishna Murthy
Aged about 59 years, Occ-Business
R/o. 6261, Prestige High fields,
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Botanical Garden Road, Sriram Nagar,
Kondapur, Hyderabad-500084)*

... Respondents

The present matter filed by the Complainants herein came up for final hearing on 11.12.2025 before this Authority in the presence of Complainants and none appeared on behalf of the Respondents No.1 to 3, despite service of notices on them and adjourning of the case several times so as to enable them to take part in the proceedings of the case before this Authority. Even then they did not choose to appear before this Authority and hence they were set ex-parte and the case was heard Ex-parte. This Authority proceeds to pass the following

ORDER:

2. The present Complaint has been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the “RE (R&D) Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the “TG RE (R&D) Rules”) seeking appropriate relief(s) as against the Respondents No. 1 to 3 in accordance with law.

A. Brief facts of the case:

3. The Complainant No.1 is the Complainant in C.C. No. 344 of 2025 and Complainant No.2 is the Complainant in C.C. No. 411 of 2025. They are inter se related as father and daughter respectively. These two Complainants have been filed by the said complaints against the same Respondent Nos.1 to 3, as detailed in the cause title. Both of them in order to purchase Villa Nos. 26 and 36 respectively, each Villa having a built-up area of 3000 sq. ft. in 200 sq. yds. situated in Sy.No.70/U/2 of Kardhanur Village, Patanchervu Mandal, Sangareddy District, at the agreed rate of Rs. 4,200/- per sq. ft. The Complainant No.1 submitted that he made the following payments to the Respondent No. 2, as detailed in the under mentioned table in total Rs. 1,10,00,000/-.

Sl.No.	Date	Mode of Payment	Amount	Paid by
1	22.10.2023	TSCA No. 000006	Rs. 10,00,000/-	Y. Srinivasa Rao/ Complainant No.1
2	27.10.2023	SBI Cheque No. 122230	Rs. 10,00,000/-	Y. Srinivasa Rao/ Complainant No.1
3	29.10.2023	SBI Cheque No. 122231	Rs. 10,00,000/-	Y. Srinivasa Rao/ Complainant No.1
4	02.01.2024	SBI Cheque No. 122233	Rs. 10,00,000/-	Y. Srinivasa Rao/ Complainant No.1
5	27.12.2023	CASH	Rs. 20,00,000/-	Y. Srinivasa Rao/ Complainant No.1
6	26.12.2023	CASH	Rs. 20,00,000/-	Y. Srinivasa Rao/ Complainant No.1
7	27.12.2023	CASH	Rs. 20,00,000/-	Y. Srinivasa Rao/ Complainant No.1
8	06.04.2024	CASH	Rs. 10,00,000/-	Y. Srinivasa Rao/ Complainant No.1
Total			Rs. 1,10,00,000/-	

4. It is sated that the Complainant No.2 has paid an amount of Rs. 20,00,000/- as detailed in the following table:

Sl.No.	Date	Mode of Payment	Amount	Paid by
1	19.10.2023	SBI Cheque No. 122229	Rs. 10,00,000/-	Y. Minaly/ Complainant No.2
2	27.10.2023	SBI Cheque No. 012222	Rs. 10,00,000/-	Y. Minaly/ Complainant No.2
<i>Total</i>			<i>Rs. 20,00,000/-</i>	

5. The Complainants submits that, even after making the above detail payments aggregating to Rs. 1,30,00,000/- (Rupees One Crore Thirty Lakhs only), to the Respondents, they have neither commenced construction of the subject Villas nor taken up any tangible steps towards execution of the project and have failed to adhere to their assurances and contractual obligations in respect of the development of the Villas. Neither Respondents are showing any responsibility towards the Complainants nor they responding to the Complainants when they tried to contact them.

6. Further, the Complainants submit that the Respondents made false promises to them by showing permissions, RERA approval and other documents pertaining to the land. This shows Respondents evil nature and evil attitude. Thus, the Respondents have trapped them with false promises only to avail the amounts from them.

B. Relief(s) Sought:

7. In light of the aforementioned facts and circumstances, both the Complainants humbly prayed for the following relief(s):

- i. To direct Respondent Nos. 1 to 3 to refund a sum of Rs.1,30,00,000/- (Rupees One Crore Thirty Lakhs only) to the Complainants, along with interest at the rate of 24% per annum calculated from the respective dates of payment until the date of realization; or, in the alternative, to direct Respondent Nos. 1 to 3 to allot and hand over possession of villas in Sy. No. 70/U/2 of Kardhanur Village, Patancheru Mandal, Sangareddy District.

C. Observations of the Authority:

8. As can be gathered from the case record notices were issued and send notices dated 01.07.2025 were issued and sent by post of hearing to Respondents No. 1 to 3 for their appearance before this Authority on 16.07.2025 and to file Counter/Reply on their behalf on or before the said date. On the said date, they (Respondents) remained absent. Hence, fresh

notices are issued again directing to them appear before this Authority on 05.08.2025 and entrusted these notices to the Complainants to effect personal service upon Respondents and to file proof thereof. On that, the Complainants took the notices for personal service on the Respondents and filed proof of affixture of the notices at the office entrance of the Respondents. Again, fresh notices were issued to them for appearance before this Authority on 09.09.2025. Subsequently, fresh notices were issued through Special Messenger directing them to appear before this Authority on 10.10.2025, and the same were duly received by the Respondents. Despite due service of notices, none of the Respondents or their representatives appeared before this Authority. Accordingly, Respondent Nos. 1 to 3 were set ex-parte on 21.10.2025, and the matter was heard ex-parte.

9. Since, the Respondents No.1 to 3 remained ex-parte and so also did not file any counter/reply, the pleas and submissions made by the Complainants in their respective complaints remained unchallenged and un-rebutted. From such pleas and submissions, and also from the information that has come to the notice of this Authority, that M/s. Garuda Infra Innovative LLP, the Respondent, represented by its designated partners, Sri Gunda Satish and Sri Madduru Murali Jagannadh, has been advertising, marketing, offering for sale, and inviting persons to purchase units in its project situated in Sy. No. 70/U/2 of Kahardanoor Village, Patancheru Mandal, Sangareddy District.

10. Then, upon verification of information available on webpage of TG RERA it was found that the said project was not registered with TG RERA and no application was filed for getting registration of project with TG-RERA, and thereby the Respondents contravened the provisions of Section 3(1) and 4(1) of Real Estate Regulation and Development) Act, 2016. Accordingly, a Show Cause Notice dated 04.08.2025 was issued to Respondents calling upon them to submit their explanation with respect to the said violations. Despite due service of notice of this Show Cause Notice, the Respondents failed to appear before this Authority and so also failed to file any reply or place on record any material in their defence.

11. Section 3(1) of the Real Estate (Regulation and Development) Act, 2016 unequivocally mandates that no promoter shall advertise, market, book, sell, offer for sale, or invite persons to purchase any plot, apartment or building in any real estate project without prior registration of such project with the Real Estate Regulatory Authority. The material placed on record clearly establishes that the Respondent Nos. 1 to 3 have collected an aggregate amount of Rs.1,30,00,000/- from the Complainants towards the said Villas in Sy.No. 70/U/2 of

Kardhanur Village, Patancheru Mandal, Sangareddy District, without obtaining registration of the said project under the RE (R&D) Act.

12. Acceptance of consideration in any form prior to registration constitutes a direct and continuing violation of Section 3(1) of the RE (R&D) Act. The obligation to secure registration is mandatory, absolute and a condition precedent to the commencement of marketing, booking or collection of advances. Any representation that registration or approvals would be obtained subsequently does not absolve the Respondents of statutory liability, nor can such post-facto justification cure the illegality committed in contravention of the RE (R&D) Act.

13. Furthermore, Section 4(1) of the RE (R&D) Act, 2016 mandates that a promoter shall apply for registration of the project with the Authority in the prescribed manner before undertaking any sale or marketing activity. In the present case, there is no material on record to show that Respondent Nos. 1 to 3 had applied for or obtained registration of the subject project. Notwithstanding the same, they proceeded to collect Rs. 1,30,00,000/- from the Complainants, which constitutes a clear violation of the statutory mandate.

14. The conduct of the Respondents, as discernible from the material placed on record, including stamped receipts bearing the seal of “Garudaa Infra” and duly signed by the authorised signatory, prima facie evidences receipt of the amounts towards the proposed Villas. The said acts constitute conscious and deliberate non-compliance with the mandatory provisions of the Act and are in derogation of the statutory safeguards enacted for the protection of allottees.

15. The relevant portion of Section 3(1) of the RE (R&D) Act is extracted below for reference:

“No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act.

16. Having regard to the foregoing findings, this Authority holds that Respondent Nos. 1 to 3 have contravened Sections 3(1) and 4(1) of the Act. As a consequence of such violations,

they are liable for penalty under the relevant penal provisions of the Real Estate (Regulation and Development) Act, 2016. In particular:

Section 59(1) of RE(R&D) Act, 2016 provides that:

“If any promoter contravenes the provisions of Section 3, he shall be liable to a penalty which may extend up to ten per cent of the estimated cost of the real estate project as determined by the Authority.” (Section 59(1))

Section 60 of RE (R&D) Act, 2016 further provides that:

“If any promoter provides false information or contravenes the provisions of Section 4, he shall be liable to a penalty which may extend up to five per cent of the estimated cost of the real estate project as determined by the Authority.” (Section 60)

17. Accordingly, Respondent Nos. 1 to 3 are held liable for penalty under Sections 59 and 60 of the RE (R&D) Act, 2016 and the Authority shall initiate appropriate proceedings for imposition of such penalty in accordance with law.

18. Insofar as the relief sought in the present complaint is concerned, the Complainants have prayed for refund of the said amount of Rs. 1,10,00,000/- paid by Complainant No.1 and Rs. 20,00,000/- paid by Complainant No.2 to the Respondents along with interest, as can be gathered from the pleas and submission made by the Complaint No.1 in CC. 344 of 2025 and Complainant No.2 in CC. No. 411 of 2025 coupled with payment receipts filed by each one of them along with the complaints, which remained un-rebutted and un-contested in view of Respondents remaining ex-parte and as also in the absence of any contra evidence or material on their behalf (Respondents) that the claim of the Complainant No.1 that he paid Rs.1,10,00,000/- and the claim of Complainant No.2 that she paid Rs. 20,00,000/- to the Respondents, this Authority in its considered view concludes that the above claims of payments made by the Complainants No. 1 and 2 respectively is true and sustainable.

19. In view of the categorical findings recorded hereinabove that Respondent Nos. 1 to 3 have collected the said amount in contravention of the provisions of the Real Estate (Regulation and Development) Act, 2016, and also failed to commence construction of the subject Villas, therefore the Complainants No. 1 & 2 respectively are legally entitled to seek refund of the amounts so paid. The continued retention of the said sum by the Respondents, in the absence of registration and in the absence of any progress in development, is unlawful and unsustainable in law.

20. This Authority has thus duly considered the statutory right of the Complainants to seek refund under Section 18(1) of the Real Estate (Regulation and Development) Act, 2016. Non-registration of the project and failure to commence construction or deliver possession constitute clear violations of the statutory obligations of the Promoter/Respondent(s), as per Section 18(1) of RE (R&D) Act, which safeguards the interests of allottees, and the same cannot be defeated by the Respondents by non-compliance. Accordingly, the Complainants are entitled to refund of the amounts paid by each of them as detailed herein above, along with admissible interest, in accordance with provision of RE (R&D) Act.

21. The provisions of Section 18(1) of the RE (R&D) Act, 2016 reads thus;

“If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act.”

22. As per the discussions made in the preceding paragraphs and the material available on record establishes that the Complainant No.1 has paid Rs.1, 10,00,000/- and Complainant No. 2 has paid Rs. 20,00,000 towards Villa Nos. 26 and 36 respectively, to the Respondents through receipts and endorsements filed by the Complainants and available on record. Thus, the total consideration of Rs. 1,10,00,000/- by Complainant No.1 and Rs. 20,00,000/- paid by Complainant No.2 stands proved as having been received by the Respondents towards the subject Villas.

23. Consequently, this Authority is of the considered view that the Complainants are entitled to the relief of refund of the amounts as sought for by each of them, as detailed hereinabove in Para Nos. 18 and 22, along with applicable interest, in accordance with Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, framed under RE(R&D) Act i.e., at the rate of the current highest Marginal Cost of Lending Rate (MCLR)

of the State Bank of India plus 2%, which at present is such 8.70% + 2%, aggregating to 10.70% per annum.

D. Directions of the Authority

24. In light of the foregoing discussion, findings, and conclusions recorded hereinabove, and in exercise of the powers conferred upon this Authority under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, the following directions are hereby issued to the Respondents:

- i. The Respondent Nos. 1 to 3 are hereby restrained from advertising, marketing, booking, selling, or collecting any consideration in respect of the subject project without obtaining registration under Sections 3 and 4 of the Real Estate (Regulation and Development) Act, 2016. The Secretary, Telangana RERA, shall initiate proceedings under Sections 59 and 60 of the Act for imposition of an appropriate penalty and Respondents, subject to the approval of the Authority.
 - ii. The Respondents are hereby directed to refund the amount specified in Paragraphs 22 and 23 above, i.e., Rs. 1,10,00,000/- to Complainant No.1 and Rs. 20,00,000/- to Complainant No.2 respectively along with interest at the rate of 10.70% per annum to each of them, calculated from the respective dates of payment until the date of actual realization within a period of sixty (60) days from the date of receipt of this Order.
25. Failure to comply with this Order shall attract Section 63 of the RE (R&D) Act, 2016.
26. The Complaint is disposed of in lieu of the above directions. No order as to costs.

Sd/-
Sri K. Srinivasa Rao,
Hon'ble Member,
TG RERA

Sd/-
Sri Laxmi Narayana Jannu,
Hon'ble Member,
TG RERA

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