

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

**COMPLAINT NO.601 OF 2021**

**26<sup>th</sup> Day of September, 2023**

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

1. Sri Sreekanth Veerla  
2. Smt. Pampa Modak  
3. Sri Bindhu Madhav Purohit ...Complainants

Versus

M/s Maha Homes rep. through Sri Santosh Gundla ...Respondent

The present matter filed by the Complainants herein came up for hearing on 09.08.2023 and 12.09.2023 before this Authority in the presence of Sri Sreekanth Veerla, Ms. Pampa Modak and Sri Bindu Madhav, Complainants, and none for the Respondent and upon hearing the arguments of both the parties, this Authority passes the following **ORDER:**

2. The present Complaint has been filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules").

**A. Facts of the Complaint:**

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 the Complaint has filed an incomplete Agreement of Sale dated 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 06.01.2021, along with the HMDA Permission & Plan Copy dated 23.08.2019 copy, Brochure 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, Brochure issued by the Respondent Builder.

**B. Notices issued to the Respondent:**

4. Accordingly, this Authority issued Notice dated 08.11.2021 to the Respondent Builder, (a) for filing a reply to the present complaint and (b) a Show Cause 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. However, this Authority did not receive any reply on behalf of the Respondent.

**C. Hearing Conducted:**

5. That the matter was called for hearing on 09.08.2023 and also on 12.09.2023. Despite issuing Summons dated 01.08.2023 and 08.09.2023, the Respondent failed to appear. The Complainants appeared and orally submitted that the parking area

was meant to accommodate 4 (four) parking spaces as per the HMDA plan, however, the Respondent Builder has crammed in 20 (twenty) parking slots which blocks the driveway. They further submitted that two transformers are provided in the HMDA permission, however the Builder has provided only one transformer. They also orally submitted that the Respondent Builder has asked them to pay taxes since 2019, the year in which the Agreements of Sale were entered into between the Respondent Builder and the Complainants and submitted the payment receipts before this Authority.

**D. Points for consideration by this Authority:**

6. That, after hearing oral contentions of the parties, the following issues sprout for consideration:

- 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 driveway?

**Point (i)**

7. Upon consideration of the facts and circumstances of the present case, it is apparent that the Respondent Builder was accorded HMDA Permission on 23.08.2019. Further, the Brochures were released soon after obtaining the said Permission dated 23.08.2019 which attracted the present Complainants to purchase a flat in the said residential unit. Accordingly, Agreements of Sale were entered into and subsequently Sale Deeds of 2021, which have been filed by the Complainants. As per the Encumbrance Certificate produced by the Complainants, 18 out of 20 flats in the said Apartment are sold without complying with provisions under Section 3(1) and 4(1) of the Act.

8. In this regard, it is also pertinent to note that the Project concerned is 662.52 Sq Meters as per the HMDA Permission Letter dated 23.08.2019 which satisfies the condition stipulated under Section 3(2) of the Act. Therefore, this undoubtedly establishes that the Respondent Builder, in abject contravention of Section 3(1) and 4(1) has proceeded to sell the flats in the residential project in question without submitting any application before this Authority.

9. Since this 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/- each for advertising remaining two flats in violation of Section 4 of the Act, is imposed on the Respondent Builder payable within 15 days of the date of receipt of this Order in favor of TS RERA FUNDS through Demand Draft or online payment to A/c No.50100595798191, HDFC Bank, IFSC Code: HDFC0007036.

**Point (ii)**

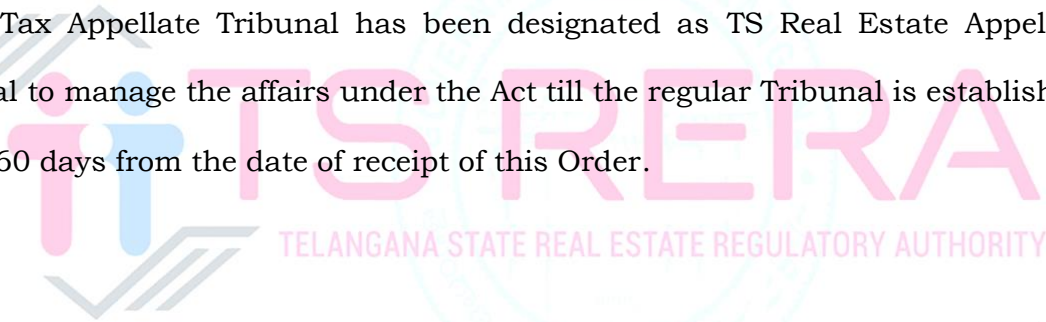
10. As per the HMDA Permission Letter dated 23.08.2019 vide Application No.025256/SKP/R1/U6/HMDA/28062019, the building permission has been sanctioned for stilt + 5 (five) floors where stilt floor is considered that parking is deemed to be satisfied as per GOMs No.168 dated 07.04.2012. Therefore, the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

**E. Directions of the Authority:**

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.

13. If aggrieved by this Order, the parties may approach the TS Real Estate Appellate Tribunal (vide G.O.Ms.No.8, Dt.11-01-2018, the Telangana State Value Added Tax Appellate Tribunal has been designated as TS Real Estate Appellate Tribunal to manage the affairs under the Act till the regular Tribunal is established) within 60 days from the date of receipt of this Order.



Sd/-

**Sri K. Srinivasa Rao, Hon'ble Member  
TS RERA**

Sd/-

**Sri Laxmi Narayana Jannu, Hon'ble Member  
TS RERA**

Sd/-

**Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson  
TS RERA**