

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

**COMPLAINT NO.714 OF 2022**

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

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

Dr. Pagidipati Sudhakar

...Complainant

Versus

1. Sri Pudukollu Sumanth,  
Managing Partner of M/s Amaze Constructions
2. Sri Pudukollu Sudhir,  
Partner of M/s Amaze Constructions
3. Sri Komatireddy Sandeep Reddy (Landowner)
4. Sri V. Nikhil, Marketing Executive,  
M/s Realting

...Respondents

The present matter filed by the Complainant herein came up for hearing on 03.10.2023 before this Authority in the presence of Dr. Pagidipati Sudhakar, the Complainant and the Sri Kiran Kumar, Chartered Accountant of Respondent Nos.1 & 2 and none for Respondent Nos.3 & 4 on Notice and upon hearing the arguments of 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, in brief, are that the Complainant purchased open Plot No.99 in **City Front Venture** (hereinafter referred to as the “Project”) vide Sale Deed Document No.4041/2021 dt.11.02.2021 at SRO, Maheswaram, Ranga Reddy District in HMDA approved layout vide LP No.000209/LO/Plg/HMDA/2019 dt.09.07.2019, TS RERA Registration No.P02400001237 in Survey No.65, 66 and 66/E2, situated at Mansanpally Revenue Village & Gram Panchayath, Maheshwaram Mandal, Ranga Reddy District, Telangana from Mr. K. Sandeep Reddy (land owner) through Mr. V. Nikhil, Marketing Executive. That upon assurance of the landowner, developer and the marketing executive, the Complainant purchased the said property assuming the amenities provided for in the brochure would be provided.

3. The Complainant further submitted that, Mr. Sumanth, Managing Partner of M/s Amaze Constructions had legal agreement of DGPA with land owner registered vide Document No.6955/2018, dt. 26.04.2018 and the Suppl. deed No.24571/2019 dt.09.09.2019. Since the purchase of the said property, the Complainant submitted that the Respondent/Developer ignored his responsibilities and abandoned the Project without security and incomplete amenities. Further, some of the plot owners tried to contact the Respondent No.1 enquiring about the status of the amenities that were promised to be constructed in the Project, but no answer was accorded. Aggrieved, the Complainant issued emails to HMDA and this Authority requesting to take cognizance of the matter.

4. The Complainant further submitted that, after continuously pursuing the Respondents, the Respondent No.1 conducted a meeting with plot owners at the Project premises on 25.09.2022 around 11 a.m., wherein he denied implementation

of any amenities as promised for in the brochure and further blamed Mr. V. Nikhil, the marketing executive, that it was his responsibility. Complainant submits that the completion date as on the RERA Registration Certificate is given as 01.12.2023 and therefore, requested this Authority to conduct detailed enquiry and take appropriate action under applicable provisions of the Act and Rules.

**B. Relief Sought:**

5. The Complainant sought for the following relief:

*“Implementation of amenities printed in City Front brochure in prescribed time, (construction of the club house) and to take necessary action against M/s Amaze Constructions again started another ventures Amaze Sri Valley, Amaze Silent Valley in same Maheshwaram Mandal near to the City Front Venture in order to save the investors from cheating of M/s Amaze Constructions.”*

6. That Vide Notice dated 03.01.2023, the Respondents were directed, under Rule 34(1) & (2) of the Rules, to file their reply.

**Reply on behalf of the Respondent(s):**

7. That, accordingly, Vide Reply dated 19.01.2023, Respondent No.1 submitted they have adhered to all the norms as per HMDA and also received the Final Layout Permit on 17.01.2019. He further submitted that, this information had been submitted before this Authority and the project has been closed.

8. He added that he has not ignored any of his responsibilities and that the meeting held on 25.09.2022 was not called for officially. He submitted that the Complainant is spreading baseless allegations in the meeting and also in the open

market, thereby jeopardizing the reputation of the company and requested to do the needful.

9. Since the said Reply was not satisfactory, this Authority issued another Notice on 04.04.2023 seeking a detailed reply and explanation in respect of the Complaint filed by the Complainant. However, no reply was received by this Authority.

10. The matter came up for hearing on 16.08.2023 and the Complainant appeared. No appearance on behalf of the Respondents, however Sri Kiran Kumar, chartered accountant of the Respondent Nos.1 & 2 submitted the Reply in person. The Complainant vehemently argued that the Respondents have violated the provisions of the Act and Rules. He relied upon the Brochure of the Project issued by Mr. V. Nikhil, marketing executive of the said Project. He further submitted that the Developer/Promoter has cheated them by showing amenities in the brochure but failed to provide anything in person.

11. However, on the same date the Respondents filed another reply dated 16.08.2023 and reiterated that the Project adhered to all the norms as per HMDA and the Final Layout Permit has also been received so far for the said Project on 17.01.2019. He submitted that these documents have also been submitted to this Authority.

12. He categorically stated that the allegations against Mr. Sumanth, Managing Partner of M/s Amaze Constructions, which solely rely on the City Front Brochure, are unfounded in regard to his obligations concerning the amenities in the project. He further emphasized that the brochure explicitly states, "*this brochure is just a conceptual presentation and not a legal offering. The Promoter reserves the right to*

*alter and make changes in the plans, specifications and features as deemed fit."* He subsequently urged this Authority to take appropriate action.

**Points for consideration by this Authority:**

13. Record perused. Following issues sprout for consideration:

- i. Whether the Respondent/Developer/Promotor has committed violation of any provision under the Act and Rules?
- ii. Whether the Complainant's relief, as prayed for, be granted, if yes, to what extent?

**Points (i) & (ii)**

14. Admittedly, the Promoter has obtained TS RERA Registration on 05.10.2019, which ends on 01.12.2023. Further, the Sale Deed entered into dated 11.02.2021, establishing that there is no violation of Section 3 or 4 of the Act. Under the Agreement of Sale entered into between the parties, as submitted by the Complainant during the course of hearing, there is no specific term agreed upon by the Respondent/Builder to incorporate the amenities provided for in the Brochure. Further, the Sale Deed on record also does not provide any terms for provision of such amenities. It is also pertinent to note that the HMDA Approved Layout also does not mention any of the amenities so provided for in the said Brochure as well as the Website images appended by the Complainant with the present Complaint. Therefore, as prayed for by the Complainant, it is not possible to provide for such amenities in the absence of an approval by the competent authority i.e., the HMDA in the present case. In this regard, we express that such deceitful marketing techniques are deprecated and such persons ought to be punished under law.

15. In this regard, it is pertinent to extract the provisions under Section 12 and 61 of the Act which read as under:

*“12. Where any person makes an advance or a deposit on the basis of the information contained in the notice advertisement or prospectus, or on the basis of any model apartment, plot or building, as the case may be, and sustains any loss or damage by reason of any incorrect, false statement included therein, he shall be compensated by the promoter in the manner as provided under this Act:*

*Provided that if the person affected by such incorrect, false statement contained in the notice, advertisement or prospectus, or the model apartment, plot or building, as the case may be, intends to withdraw from the proposed project, he shall be returned his entire investment along with interest at such rate as may be prescribed and the compensation in the manner provided under this Act.”*

*“61. If any promoter contravenes any other provisions of this Act, other than that provided under section 3 or section 4, or the rules or regulations made thereunder, 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.”*

16. In lieu thereof, we hold that, the Respondent Promoter, on account of his smart marketing technique has violated Section 12 by providing false information to the prospective buyers promising them of the amenities that were never approved by the Competent Authority and neither provided for in the Agreement of Sale. Therefore, this Authority deems it fit to impose a penalty of Rs.2,56,500/- (Rupees Two Lakhs Fifty Six Thousand Five Hundred Only) on the Respondent promoter exercising its powers under Section 61 for contravening Section 12 by providing false

information to the Complainant in the Brochure as well as on its Website, payable in favour of TS RERA FUNDS through Demand Draft or online payment to A/c No.50100595798191, HDFC Bank, IFSC: HDFC0007036, within a period of 30 days from the date of receipt of this Order. This Authority also directs the Respondent to delete such misleading information in the Brochure or on its Website within 15 days of the receipt of this Order.

17. The present complaint stands disposed of. The parties are hereby informed that failure to comply with this Order shall attract Section 63 of the Act.

18. 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 Laxmi Narayana Jannu, Hon'ble Member**  
**TS RERA**

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

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