

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

COMPLAINT NO.1376 OF 2023

18th day of April, 2024

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

E. Padma
Srimatha
Sabitha
Ch.Buchireddy
Rani
Saritha
K Swetha
Versus

...Complainant(s)

M/s Greenwoods Venchor
M/s Raja Infra Ventures Pvt Ltd.

...Respondent(s)

The present matter filed by the Complainants herein came up for final hearing on 27.02.2024 before this Authority in the presence of Complainants present in person, Counsel Bokaro Sapna Reddy on behalf of Respondent 1 and Mr. Raja on behalf of M/s Raja Infra 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 "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 Respondents.

A. Brief facts of the complaint:

3. The complainants purchased plots within the Green World Ventures project situated in Inmulner Village, identified by Survey Numbers 135, 136, 147, 148, and 155, within Kothur, Rangareddy District – 509228.
4. They have remitted the requisite funds for the aforementioned plots to the Marketing agent, M/s Raja Infra Developers Private Ltd. The said firm has duly executed the Agreement of Sale, facilitating the acquisition of

their respective parcels through Agent S. Sharada Devi and Marketer G. Raja Prasad. The landowner, G. Sudhakar, initially assented to the registration of the parcels on 12.04.2023, a date subsequently deferred by them. A revised registration date of 04.09.2023 was communicated, prompting the summoning of all complainants to the Shadnagar Registration Office. Despite their presence and an 8-hour wait, no representative from the Respondent party appeared. Following several months, a subsequent notification instructed them to revisit the registration office on 21.09.2023, wherein a repetition of events ensued, with no representation from their counterparts.

5. The registration process for the aforementioned plots remains outstanding.

S.no	Name	Amount paid
1.	E. Padma	18,00,000/-
2.	Srimatha	24,00,000/-
3.	Sabitha	21,00,000/-
4.	Ch.Buchireddy	26,00,000/-
5.	Rani	31,40,000/-
6.	Saritha	7,50,000/-
7.	K Swetha	5,00,000/-

B. Relief(s) sought:

6. Refund of the total amount paid to the Respondents.

C. Respondent's Reply:

7. Respondent 2 has filed a counter, denying all allegations and averments made in the Complaint against this Respondent as false, incorrect, and misleading, purportedly created for the purpose of the frivolous and vexatious Complaint against this Respondent herein. The complainant may be put to strict proof of all those allegations and averments not specifically or necessarily admitted by this Respondent herein.
8. That the complainants herein filed the above complaint suppressing the real facts and approached this Hon'ble Authority with unclean hands to seek the relief of equity, impermissible under law. The complainants filed

the above complaint based on false, vexatious, and baseless allegations, rendering the complaint neither maintainable in law nor supported by facts. As such, the same is liable to be dismissed forthwith. The above complaint was filed by the Complainant with an ulterior motive to blackmail and harass the Respondent.

9. It is respectfully submitted that Vamshi Green Avenues, represented by Mr. G Sudakar, is developing the residential layout under the name of "Green Woods lands situated in Survey No 135, 136, 147, 148, 155 of Inmulnarva Village Kothur Mandal, Rangareddy District. Furthermore, M/s. Falcon Infra, represented by Mr. Krishna Chaitanya, and M/s V INFINI, represented by Mr. Veera Vallabh Chowdary, are the Marketers of the above said Project, and this respondent was engaged by the above marketers to advertise and sell plots in the "Green Woods" project. It is submitted that during the marketing process of the above project, this respondent invested its own manpower, resources, and finances to advertise the project.
10. The complainants approached this respondent and booked plots in the aforementioned venture, paying advance amounts. The details of the same are as follows:

S.no	Name	Plot no:	Total consideration	Amount received	Balance amount & due date
1.	E.Padma	Plot no:11	Rs. 31,50,000/-	Rs.18,00,000/-	13,50,000/- due date from 03.04.2023
2.	A Sreematha	Plot no. 8	Rs. 34,20,000/-	Rs. 24,00,000/-	Rs. 10,20,000/- due date from 24.11.2022
3.	P.Sabita	Plot 13	Rs. 29,70,000	Rs. 17,00,000/-	Rs. 12,70,000/- Due from 22.05.2023
4.	Ch. Buchi Reddy	Plot no. 12	Rs. 36,00,000/-	Rs. 31,40,000/-	Rs. 4,60,000/- Due from 26.11.2022

5.	Vangala Rani	Plot no. 62	Rs. 36,00,000/-	Rs. 31,40,000/-	Rs. 4,60,000/-
6.	P.Saritha	Plot no. 09	Rs. 33,30,000/-	Rs. 7,50,000/-	Rs. 25,80,000/- Due from 11.05.2023
7.	K. Swetha		Rs. 32,58,000/-	Rs. 5,00,000/-	Rs. 27,58,000/- Due from 13.03.2023

11. As per the agreement, the complainants were required to pay the balance amount on or before the aforementioned dates, which they had agreed upon to complete the registration in their names. However, the complainants did not fulfil this obligation within the specified time frames as agreed. Subsequently, despite multiple follow-ups by the respondents with the complainants to complete the registration process by paying the balance amount, they did not respond.
12. Later, the complainants expressed readiness for registration. However, the registration process could not be completed due to disputes between the developer and the aforementioned marketers. Subsequently, this respondent made every effort to facilitate the registration of the aforementioned plots by negotiating with the developer and marketers. Eventually, the developer agreed to register the plots in favour of the complainants. Furthermore, on 22-01-2024, the developer provided a written undertaking to register the aforementioned plots in favour of the complainants.
13. In view of the aforementioned facts and circumstances, this respondent is prepared to register the plots in favour of the complainants through the Developer upon receipt of the remaining balance of the sale consideration.

D. Hearing Conducted:

14. During the hearing, the Complainants reiterated the contentions raised in the complaint. Furthermore, they submitted that they were approached by LIC agents, namely, Sri A. Ramesh and Smt. S. Sharada Devi, who were in their employ. These agents introduced M/s Raja Infra

as marketing agents to the Complainants, enticing them to purchase plots. Additionally, they clarified that they had never met the Landowners/Builder of the project, as M/s Raja Infra, Respondent 2, acted as the intermediary. They emphasized that all payments for the purchase of plots were made exclusively to Respondent 2. However, as no representative appeared on behalf of the Respondents, the Authority directed a fresh notice to be issued. The Authority also resolved to summon Sri A. Ramesh and Smt. S. Sharada Devi for the next hearing under Section 35 of the RE(R&D) Act to attain a clearer understanding of the transactions.

15. On the subsequent hearing date, Respondent 1 asserted that he is the landowner of the concerned project, which holds RERA Registration vide number P02400006641. He affirmed that he had never directly communicated with the complainants, nor had any dealings with M/s Raja Infra. Moreover, Respondent 1 disclosed that an agreement had been reached with M/s Falcon Infra for marketing the project. Subsequently, M/s Falcon Infra entered into a sub-contract with M/s Raja Infra, herein Respondent No. 2, for project marketing. The Authority directed the respondents to serve notice on M/s Falcon Infra for the next hearing date. Respondent 1, however, informed the Authority of his willingness to register the plots if the complainants settle the outstanding balance.
16. Conversely, the complainants expressed their lack of awareness regarding M/s Falcon Infra, asserting that they had only interacted with Respondent No. 2 since the inception of the purchase. Respondent No. 2 acknowledged to the Authority that they were indeed marketing agents for the project and had entered into a sub-contract with M/s Falcon Infra for this purpose. They further clarified that all payments had been collected by Respondent No. 2 and transferred in full to Respondent No. 1 and M/s Falcon Infra. Both Respondent No. 1 and Respondent No. 2 expressed their willingness to register the plots upon receipt of full payment from the complainants.

17. M/s Raja Infra informed this Authority that payments from the complainants had been overdue for a year, attributing the delay in plot registration to this factor. Regarding Smt. Sharada Devi and A. Ramesh, M/s Raja Infra stated to the bench that they were also purchasers of the project in question and had merely provided information about it, having no involvement in the registration process for the plots. However, the complainants refuted the statements made by Smt. Sharada Devi and A. Ramesh, asserting that they had indeed received payments from them, and all outstanding payments had been settled by the complainants.
18. Further, the complainants submitted that they are not willing to pay the remaining balance amount to the Respondents as they have lost all hopes in the Project. Further, that they are not willing to continue in the project and they pray that Authority direct for Refund along with interest as there was delay performed by the Respondents.

E. Findings on the relief sought by the complainants:

F.1 Direct the Respondents to refund the entire amount paid by the complainants.

19. Considering that the allottees/complainants wish to withdraw from the project and are demanding the return of the amount received by the promoter, along with interest, due to the promoter's failure or inability to provide possession of the plot in accordance with the sale agreement or within the specified timeline, the matter falls under Section 18(1) of the RE(R&D) Act of 2016.
20. The Authority observes that Respondent 1, despite being directed to file a written statement during the conducted hearing, has failed to do so. However, during the hearings, both Respondent 1 and Respondent 2 did not contest the fact that the complainants had approached them to purchase plots and had paid a certain amount as sale consideration.
21. Furthermore, Respondent 2, in their written statement, stated that the registration did not take place due to a dispute between the developer and marketers.

22. It is noted that neither Respondent No. 1 nor Respondent No. 2 denied their liability regarding the registration of the plots. Regarding M/s Falcon Infra, neither party submitted any substantiated evidence or implicated M/s Falcon Infra's involvement in the present transactions related to the aforementioned plots.
23. The Authority notes a delay in achieving due possession as per the sale agreement mentioned below:

S.no	Complainant	Due date of registration
1.	A.Sreematha	24.11.2022
2.	P.Sabita	22.05.2023
3.	C.Buchi Reddy	26.11.2022
4.	V.Rani	22.05.2023
5.	P.Sartiha	10.05.2023
6.	K.Swetha	13.03.2023
7.	E.Padma	03.04.2023

24. Additionally, it is observed that the complainants were repeatedly called to the Registration department without any representation made on behalf of the respondents. This allegation was neither denied nor disputed; instead, Respondent 1, acknowledged that due to an emergency, they could not appear. The Authority believes that the allottees cannot be expected to indefinitely wait for possession of the unit for which they have paid a considerable amount as sale consideration.
25. Also, the submission made by the Respondent no.2 that the delay in registration also undertook due to the non-payment of balance sale consideration, is rejected by this Authority as Respondent no.2 failed to prove the authority that Complainants were not willing to pay the balance amount.
26. The Authority observes that an Agreement of Sale was entered into between Respondent 2 and the complainants. Furthermore, Respondent 2 stated that the amount was credited to Respondent 1, which was neither denied nor disputed, and no substantiated evidence was submitted by Respondent 1/Landowner to refute the contentions made by Respondent 2. Hence, the Authority opines that both Respondent 1,

the landowner, and Respondent 2, the marketing agent, are liable to repay the complainants' amount. As both the promoter and agent failed to give possession of the plot by delaying in registration. The Respondents are responsible for all obligations, responsibilities, and functions under the provisions of the RE(R&D) Act of 2016 or the rules and regulations made thereunder or to the allottee as per agreement for sale under section 11(4)(a) of the RE(R&D) Act. The respondents have failed to complete or unable to give the possession of the plot in accordance with the terms of agreement for sale or duly completed by the date specified therein. Accordingly, the respondents are liable to repay the amount, as allottees wish to withdraw from the project, without prejudice to any other remedy available.

27. The Authority hereby directs the promoter to return the amount received by them along with interest at the rate of 8.65% (the State Bank of India highest marginal cost of lending rate (MCLR) applicable as on date + 2%) as prescribed under Rule 15 of Telangana State (Regulation and Development) Rules, 2017 from date of due date mentioned in the agreement and also in aforementioned table till actual date of refund of the amount within the timelines provided in Rule 16 of the TS RE(R&D) Rules 2017.
28. Furthermore, the Authority observes that M/s Raja Infra, herein referred to as respondent 2, has consistently identified itself as a marketing agent rather than a Real Estate Agent. However, the Authority notes that a plain reading of section 2(zm) of the Real Estate (Regulation and Development) Act, clearly stipulates that any individual who negotiates or acts on behalf of another party in a transaction involving the transfer of plots, apartments, or buildings, whether by sale or otherwise, and receives compensation, fees, or any other form of remuneration for such services, including commissions, is deemed a real estate agent. This definition encompasses individuals who introduce prospective buyers and sellers to each other for the purpose of negotiation or purchase/sale of plots, apartments, or buildings, and

includes property dealers, brokers, and intermediaries under any nomenclature.

29. Taking into account the fact that M/s Raja Infra engaged in the selling/marketing of plots and entered into sales agreements with the complainants, it shall be deemed a Real Estate Agent. Furthermore, in accordance with section 9 of the Real Estate (Regulation and Development) Act, it is mandatory for every real estate agent to register themselves. Therefore, the Authority concludes that M/s Raja Infra, respondent 2 herein, has contravened section 9 of the Real Estate (Regulation and Development) Act by facilitating plot sales without registering as a Real Estate agent.

Directions of the Authority:


30. Hence, the authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per entrusted to the authority under section 34(f):


1. The Respondent 1 and Respondent 2 are directed to refund the entire amount paid by the complainants along with prescribed rate of interest of 10.65% as prescribed under the Rule 15 of the TS Real Estate (Regulation and Development) Rules, 2017 from the date of due date mentioned in each agreement of sale till the actual date of refund of the deposited amount.
2. A period of 90 days is given to the respondent to comply with the directions given in this order and failing to which legal consequences would follow.
3. The Authority, exercising its power under Section 62 of the RE(R&D) Act, imposes a penalty of Rs. 4,66,560/-
4. , for contravening Section 9 of the RE(R&D) Act of 2016. Additionally, the Respondent no.2 is directed to strictly comply with the Real Estate (Regulation and Development) Act, 2016, and refrain from engaging in any marketing or selling activities of any Real Estate projects without registering itself under section 9 of the RE(R&D) Act as a Real Estate Agent. The penalty shall be


payable in favour of TS RERA FUNDS through a Demand Draft or online payment to A/c No.50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within a period of 30 days from the date of receipt of this order.

29. In lieu of the above-mentioned directions, the present complaint stands disposed of. Upon the failure of the Respondent Builder to comply with the present Order, appropriate action, including imposition of a penalty, will be taken as per provisions under Section 63 of the Act, 2016.

30. 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) as per Section 44 of the Act, 2016.

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

 **Sd/-**
Sri. Laxmi NaryanaJannu,
Hon'ble Member
TS RERA

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