

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

[Under the Real Estate (Regulation and Development) Act, 2016]

SUO MOTU CASE NO. 3018/2025

Date: 22nd June 2026

Quorum: **Sri Laxmi Narayana Jannu, Hon'ble Member**
 Sri K. Srinivasa Rao, Hon'ble Member

M/s Geethika Developers
Represented by Sri Dasari Venkata Ramana Krishna Prasad,
Plot No. 126, Navnirman Nagar,
Jubilee Hills, Road No 71, Hyderabad, 500033

...PROMOTER/RESPONDENT

Geethika's Ensconsia

...PROJECT NAME

The present Suo Motu proceedings have been initiated by the Telangana Real Estate Regulatory Authority (hereinafter referred to as "the Authority") in exercise of the powers conferred under Sections 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the RE(R&D) Act, 2016"), pursuant to the Order dated 07.07.2025 passed by this Authority in Complaint No. 161 of 2024 directing verification of the statutory declarations submitted at the time of registration of the project.

2. Complaint No. 161 of 2024 was filed before this Authority by M/s Asset Recovery Management Yard Pvt. Ltd. against M/s Geethika Developers, represented by Sri Dasari Venkata Ramana Krishna Prasad (hereinafter referred to as "the Respondent"), submitting that the complainant had acquired possession of approximately Ac.11.00 guntas of land situated in Survey Nos. 145 and 146 of Mankhal Village, Maheshwaram Mandal, Ranga Reddy District through Agreements of Sale-cum-General Power of Attorney (AGPAs) executed during the years 2003–2006. It was also submitted in the complaint that the Respondent obtained TG RERA registration for the project titled "Geethika's Ensconsia" bearing Registration No. P02400006389 by suppressing material facts, including the pendency of multiple civil suits, namely O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013 pertaining to the project land. The complainant sought cancellation of the project registration, levy of penalties, refund of amounts collected from purchasers, and initiation of appropriate proceedings under the provisions of the RE(R&D) Act, 2016.

3. Upon hearing the parties and examining the material placed on record, this Authority, vide Order dated 07.07.2025, dismissed the complaint on the ground that the complainant does not fall within the categories contemplated under Section 31 of the RE(R&D) Act, 2016 and

lacks locus standi to invoke the jurisdiction of this Authority. However, this Authority observed from the material placed on record that the project land situated in Survey Nos. 145 and 146 of Mankhal Village, Maheshwaram Mandal, Ranga Reddy District, are the subject matter of multiple civil suits involving disputes relating to title, possession, and cancellation of AGPAs. Accordingly, this Authority directed the Secretary, TG RERA, to conduct a detailed verification of the statutory declarations submitted by the Respondent at the time of registration and to take appropriate action under Section 4 read with Section 60 of the RE(R&D) Act, 2016.

4. Pursuant to the said directions, the records available on the TG RERA website were verified, and it was found that the project “Geethika’s Ensconsia” was registered with this Authority on 07.07.2023. At the time of registration, the Respondent declared that no litigation was pending on the project land.

5. Section 4(2)(1)(B) of the RE(R&D) Act, 2016 stipulates that every promoter shall submit a declaration supported by an affidavit stating that the land is free from encumbrances or disclose the details of such encumbrances, including any rights, title, interest, claims, or pending litigation affecting the land. Further, Rule 3(1)(e) of the Telangana State Real Estate (Regulation and Development) Rules, 2017 mandates disclosure of encumbrances on the land, including details of litigation and parties having interest over such land.

6. In view of the directions issued and upon verification of the records, a Show Cause Notice No. D6/3018/2025 dated 18.07.2025 was issued to the Respondent calling upon them to explain the non-disclosure of pending litigations concerning the project land and as to why penal proceedings should not be initiated for violation of Section 4 of the RE(R&D) Act, 2016, read with Rule 3(1)(e) of the Telangana Rules.

7. In response thereto, the Respondent submitted a reply stating that the project was duly registered after submission of all documents available at the relevant time and that the declaration was made in good faith based on the information within their knowledge. The Respondent submitted that they were not a party to the civil suits bearing O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013 and had no knowledge of the said proceedings at the time of filing the application for registration.

8. The Respondent also submitted that the non-disclosure occurred due to lack of prior knowledge and without any intention to conceal material facts. It was submitted that upon becoming aware of the proceedings through the complaint, the Respondent took steps to cooperate with this Authority and undertook to disclose the details of the litigations to existing

and prospective allottees and to upload the same on the project website. The Respondent further submitted that neither the Respondent company nor the landowners who entrusted development rights were parties to the aforementioned suits and therefore there was no suppression of material facts within their knowledge at the time of submission of the statutory declaration.

9. Subsequently, the Respondent filed an additional reply reiterating that they have not contravened any provisions of the RE(R&D) Act, 2016 or the Telangana Rules and that the declaration submitted along with the legal opinion of their advocate contained the details that were within their knowledge at the relevant time. The Respondent submitted that the civil suits referred to in the complaint were instituted by the original landowners against the complainant for cancellation of AGPAs and that the Respondent was neither a party to the said suits nor aware of their pendency at the time of registration.

10. The Respondent also submitted that the competent Civil Court, vide judgments dated 01.09.2025 in O.S. No. 522 of 2024 (Old O.S. No. 1153 of 2008), O.S. No. 521 of 2024 (Old O.S. No. 340 of 2013), and O.S. No. 523 of 2024 (Old O.S. No. 10 of 2012), decided the suits in favour of the original landowners and against the complainant, cancelling the AGPAs relied upon by the complainant. The Respondent further submitted that the said litigations were disputes between the complainant and the vendors' predecessors and did not create encumbrances affecting the project land. The Respondent requested this Authority to consider the facts and close the proceedings.

11. Upon consideration of the reply submitted by the Respondent, this Authority has decided to hear the matter, and accordingly, the matter was listed for hearing on 18.11.2025; however, the Respondent remained absent, and the matter was adjourned to 23.12.2025. Thereafter, vide notice dated 22.12.2025, the matter was further adjourned to 08.01.2026. On 08.01.2026, the hearing was conducted wherein the counsel for the Respondent appeared and made oral submissions and undertook to file written arguments. Pursuant thereto, the Respondent filed written arguments/synopsis on 21.01.2026, reiterating the submissions made in the earlier replies and requesting closure of the proceedings.

12. It is also noted that the complainant in Complaint No. 161 of 2024 has filed Appeal No. TA 52/2025 challenging the dismissal of the complaint. However, the said appeal pertains to the issue of locus standi, and the pendency of the appeal does not preclude this Authority from

proceeding with the present suo motu case concerning verification of statutory disclosures made at the time of project registration.

OBSERVATIONS OF THE AUTHORITY:

13. This Authority has carefully examined the material available on record, including the Order dated 07.07.2025 passed in Complaint No. 161 of 2024, the statutory declarations submitted by the Respondent at the time of project registration, the Show Cause Notice issued by this Authority, the replies and additional submissions filed by the Respondent, the written arguments dated 21.01.2026, and other connected documents. Upon consideration of the same, the following observations are made.

14. At the outset, it is pertinent to note that although Complaint No. 161 of 2024 was dismissed on the ground of lack of locus standi, this Authority, in discharge of its statutory mandate to regulate the real estate sector and ensure compliance with the provisions of the RE(R&D) Act, 2016, deemed it appropriate to take cognizance of the regulatory issues arising from the material placed before it, particularly with regard to the disclosures made at the time of registration of the project.

15. It is an undisputed fact that the Respondent registered the project titled “Geethika’s Ensconsia” with this Authority on 07.07.2023 and submitted a declaration supported by an affidavit stating that the land proposed for development was free from encumbrances and that no litigations were pending in respect of the said land.

16. However, the record placed before this Authority indicates that civil suits bearing O.S. No. 1153 of 2008, O.S. No. 10 of 2012, and O.S. No. 340 of 2013 were in existence in relation to the very same land situated in Survey Nos. 145 and 146 of Mankhal Village, Maheshwaram Mandal, Ranga Reddy District. The details of the said suits are as follows:

i. O.S. No. 1153 of 2008, filed in the year 2008 before the Court of the XII Additional District Judge, Ranga Reddy District and subsequently renumbered as O.S. No. 522 of 2024 before the Court of the XV Additional District & Sessions Judge, Ranga Reddy District, filed by the original landowners, namely Sri K. Seetharamaiah and others, against M/s Asset Recovery Management Yard Pvt. Ltd. The first hearing in the said suit was held on 27.02.2012 and the suit remained pending until its disposal on 17.12.2024.

ii. O.S. No. 10 of 2012, filed in the year 2012 before the Court of the XII Additional District Judge, Ranga Reddy District and subsequently renumbered as O.S. No. 523 of 2024 before the

Court of the XV Additional District & Sessions Judge, Ranga Reddy District, filed by the original landowners against M/s Asset Recovery Management Yard Pvt. Ltd. The first hearing in the said suit was held on 12.06.2012 and the suit remained pending until its disposal on 17.12.2024.

iii. O.S. No. 340 of 2013, filed in the year 2013 before the Court of the XII Additional District Judge, Ranga Reddy District and subsequently renumbered as O.S. No. 521 of 2024 before the Court of the XV Additional District & Sessions Judge, Ranga Reddy District, filed by the original landowners against M/s Asset Recovery Management Yard Pvt. Ltd. The first hearing in the said suit was held on 30.03.2013 and the suit remained pending until its disposal on 17.12.2024.

The said suits pertained to disputes involving title, possession, and cancellation of Agreements of Sale-cum-General Power of Attorney, which are matters having a direct bearing on the legal status, ownership, and marketability of the project land.

17. The primary issue that arises for consideration before this Authority is whether the Respondent was required, under the statutory framework, to disclose the existence of such litigations at the time of seeking registration of the project. Section 4(2)(I)(B) of the RE(R&D) Act, 2016 mandates that every promoter shall submit a declaration supported by an affidavit stating that the land is free from encumbrances or, where encumbrances exist, disclose complete details thereof, including any rights, title, interest, claims, or pending litigation affecting the land. Further, Rule 3(1)(e) of the Telangana State Real Estate (Regulation and Development) Rules, 2017 requires the promoter to furnish details of encumbrances on the land, including litigation and the names of parties having interest in or over such land.

18. The statutory scheme makes it abundantly clear that the obligation cast upon a promoter is one of complete and truthful disclosure. The requirement is neither procedural nor directory; rather, it is a substantive obligation intended to promote transparency and protect the interests of allottees and prospective purchasers who rely upon the disclosures made before this Authority.

19. The Respondent has submitted that they were not a party to the aforementioned civil suits and had no knowledge of their pendency at the time of filing the application for registration. The Respondent further submitted that the declaration was made in good faith based on the information available at the relevant time. While the submissions of the Respondent have been duly considered, this Authority is of the considered view that a promoter

proposing to undertake development of a real estate project is expected to conduct proper and comprehensive title due diligence prior to submitting the statutory affidavit. The responsibility to verify the legal status of the land squarely rests upon the promoter, and such responsibility cannot be diluted on the ground that the promoter was not a party to the litigation.

20. The disclosure requirement under Section 4 of the RE(R&D) Act, 2016, extends to all litigations affecting the land, irrespective of the array of parties thereto. Any pending suit concerning title or possession constitutes a material fact, the disclosure of which is essential to ensure that this Authority, as well as prospective purchasers, are fully informed about the legal status of the property. This Authority does not accept the submission that the litigations do not constitute encumbrances. The expression “encumbrance” must be interpreted in a manner consistent with the object of the RE(R&D) Act, 2016, so as to include any claim, charge, liability, or legal proceeding that may affect the title to the property or the rights flowing therefrom. Civil suits involving disputes over title and possession undoubtedly fall within the scope of material disclosures contemplated under the RE(R&D) Act, 2016 and the Telangana State Real Estate (Regulation and Development) Rules, 2017.

21. The Respondent has further submitted that the said suits were subsequently decided by the competent Civil Court vide judgments dated 17.12.2024 in favour of the original landowners. In this regard, it is pertinent to observe that compliance with statutory requirements must be assessed with reference to the date of submission of the application for registration. Subsequent developments cannot rectify or cure a defect that existed at the time when the statutory declaration was made. The affidavit submitted under Section 4 forms the basis upon which registration is granted by this Authority. Such declaration is expected to be accurate, complete, and based upon diligent verification. Any omission in disclosing material information, particularly litigation affecting the project land, has the effect of furnishing incorrect information to the Authority.

22. The RE(R&D) Act, 2016, was enacted with the primary objective of ensuring transparency, accountability, and fairness in the real estate sector. Mandatory disclosures enable intending purchasers to make informed decisions and safeguard them from risks associated with defective title or ongoing disputes. Non-disclosure of pending litigation deprives stakeholders of critical information and defeats the very purpose of the regulatory framework.

23. Therefore, irrespective of the Respondent's submission regarding lack of knowledge, this Authority is of the considered opinion that failure to ascertain and disclose the pending civil suits reflects inadequate due diligence and constitutes a contravention of the mandatory provisions of Section 4 of the RE(R&D) Act, 2016 read with Rule 3(1)(e) of the Telangana State Real Estate (Regulation and Development) Rules, 2017.

24. In view of the foregoing analysis, this Authority holds that the Respondent failed to disclose material information relating to pending litigations affecting the project land at the time of registration and thereby furnished incomplete and incorrect information before this Authority. Such contravention attracts the penal provisions contemplated under Section 60 of the RE(R&D) Act, 2016. Accordingly, this Authority is of the considered view that the Respondent is liable for imposition of penalty under Section 60 of the RE(R&D) Act, 2016, for violation of the disclosure requirements mandated under Section 4(2)(l)(B) of the Act read with Rule 3(1)(e) of the Telangana State Real Estate (Regulation and Development) Rules, 2017.

DIRECTIONS OF THE AUTHORITY:

25. In the light of the foregoing observations and findings, and in exercise of the powers conferred under Sections 35, 37, 38 and 60 of the RE(R&D) Act, 2016, this Authority hereby issues the following directions:

- a) For violation of Section 4 of the RE(R&D) Act, 2016, read with Rule 3(1)(e) of the Telangana State Real Estate (Regulation and Development) Rules, 2017, i.e., for non-disclosure of pending civil litigations affecting the project land at the time of registration of the project "Geethika's Ensconsia" bearing Registration No. P02400006389, the Promoter/Respondent, M/s Geethika Developers, represented by Sri Dasari Venkata Ramana Krishna Prasad, is held liable for penalty under Section 60 of the RE(R&D) Act, 2016. Accordingly, a penalty of Rs. 19,57,601/- (Rupees Nineteen Lakhs Fifty-Seven Thousand Six Hundred and One Only) is hereby imposed on the Promoter/Respondent, with a direction to remit the same within 30 days in favour of TGRERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.
- b) The Promoter/Respondent is hereby directed to update the details of the pending litigations pertaining to the project land on the TG RERA portal and the project webpage, if not already updated, and ensure compliance with the disclosure

requirements prescribed under the RE(R&D) Act, 2016, and the Rules made thereunder.

- c) The Promoter/Respondent is hereby informed that failure to comply with the directions issued herein shall attract further penal consequences under Section 63 of the RE(R&D) Act, 2016.

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

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

