

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

SUO MOTU CASE NO. D6/651/2025

Date: 22nd June 2025

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

M/s Samootha Projects Pvt Ltd
Sandil Apartments, H.No. 4-50/P-11/55&56,
2nd floor, Jayabheri Enclave, behind Radisson Hotel,
Gachibowli, Hyderabad - 500084

...PROMOTER/ RESPONDENT

ORDER

The present Suo motu proceedings have been initiated by the Telangana Real Estate Regulatory Authority (hereinafter referred to as “the Authority”), in exercise of powers conferred under Section 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter “RE(R&D) Act, 2016”), based on the advertisement published through social media and brochures by M/s Samootha Projects Pvt Ltd for marketing, selling, and inviting prospective buyers to purchase plots in its following projects without obtaining mandatory registration with the Telangana Real Estate Regulatory Authority, as contemplated under Sections 3(1)& 4(1) of the RE(R&D) Act, 2016.

- i. Future City Plots
- ii. Srisailem Highway plots
- iii. Kadthal Plots
- iv. Kandukur Plots

2. On this circumstances, in exercise of the powers conferred under Section 35(1) of RE(R&D) Act, 2016, Show Cause Notice, dated 11.03.2025, was issued to the said Promoter/ Respondent, directing it to submit an explanation within a week from the date of receipt of the notice as to why the Authority should not impose a penalty under Sections 59 and 60 of the RE(R&D) Act, 2016 for contravening Sections 3(1) and 4(1) of the RE(R&D) Act, 2016.

3. In response to the Show Cause Notice dated 11.03.2025, the Respondent has submitted reply on 26.03.2025, stating that it has been developing the project Samootha Golden Gate in

the name and style of Raghavendra Homes in Survey Nos. 116/P, 117, 118, 119, 121, 122, 123/P and 124/P of Thakkalapalle Village, Yacharam Mandal, Ranga Reddy District, with layout permission granted by the Director of Town and Country Planning vide Lr. Roc. No. 1549/2019/H, dated April 2019. The said project has been duly registered with TG RERA under Project Registration No. P02400002122, and is being developed in accordance with DTCP and TG RERA guidelines.

4. The Respondent further submitted that the show cause notice referred to general areas such as “Future City Plots”, “Srisailem Highway Plots”, Kadtthal Plots” and “Kandukur Plots” without specifying any particular project name, making it difficult to submit effective explanation. The Respondent submitted that it has not been selling, marketing or advertising any plots or flats without registering the projects with TGRERA and that it is ready to furnish any further information if any is required.

5. Upon examination of the reply submitted by Respondent, this Authority notes that the project “Raghavendra Homes / Samootha Golden Gate” was registered under the name of B. Chandra Shekar Reddy as Promoter and not in the name of M/s Samootha Projects Pvt. Ltd. This discrepancy establishes that the Respondent’s contention that it has obtained registration of the project in its own name is incorrect and not borne out by the material available on record.

6. This Authority has further verified the Respondent’s official website and observed that M/s Samootha Projects Pvt. Ltd. has been advertising and inviting prospective purchasers to buy plots in various projects under the brand name “Samootha.”

7. The projects that are being advertised by the promoter on their website include the following projects as completed projects:

- (i) Samootha Sonthillu at Ibrahimpatnam (Sagar Highway),
 - (ii) Samootha Avenue at Nandiwanaparthi (Yacharam, Future City),
 - (iii) Samootha Central Amazon City at Mirkhanpet (Future City), and
 - (iv) Samootha Golden Gate at Thakkalapalli (Yacharam, Future City);
- as well as upcoming projects, namely:
- (v) Samootha One,
 - (vi) Samootha Two,
 - (vii) Samootha Village, and
 - (viii) Samootha Valley.

8. The Authority further noted that none of the above-mentioned projects are registered with TG RERA, nor is M/s Samootha Projects Pvt. Ltd. registered as a Real Estate Agent in

accordance with Section 9 of the RE(R&D) Act, 2016. The Respondent's acts of advertising and marketing unregistered projects, combined with the misrepresentation of project registration, therefore constitute prima facie violations of Sections 3 and 9 of the RE(R&D) Act, 2016

9. In view of these observations, a hearing notice dated 03.05.2025 was issued to the Respondent, referring to all the above projects and directing the Managing Partner of M/s Samootha Projects Pvt. Ltd. to appear before this Authority on 12.05.2025 to provide an explanation regarding the promotional activities undertaken. The matter could not be taken up on the scheduled date and was accordingly adjourned to 19.05.2025, for which due intimation was furnished to the Respondent.

10. The Respondent, represented by Perumalla Kumar, appeared before this Authority on 19.05.2025 and submitted a written reply dated 19.05.2025, stating that M/s Samootha Projects Pvt. Ltd. had acted only as a marketing agency for the above projects, with the intention of marketing them after the respective landowners or developers obtained the requisite registrations.

11. The Respondent further submitted that due to oversight, its technical team, under the mistaken belief that registration of some other projects by the company would suffice, had listed the aforesaid projects on the website as RERA-approved projects. It was clarified that upon receipt of the notice, the said projects were immediately deleted from the website. The Respondent submitted that the lapse was purely due to oversight and lack of knowledge on the part of its technical team, and stated that such an error would not recur in future. The Respondent also submitted that it would strictly comply with the provisions of the RERA Act and the guidelines issued thereunder.

12. The Respondent also submitted that he has applied for registration as a real estate agent under the provisions of the RE(R&D) Act, 2025 and submitted the payment receipt dated 16.05.2025 in respect of the same.

13. In addition to the material already available on record, the Respondent, represented by its present Director, Anitha Nena, has submitted an affidavit dated 06.08.2025. In the said affidavit, the Respondent submitted that they were earlier developing a project in the name and style of "Samootha Vari Sonthillu." She has also submitted that, based on recommendations from Vastu and Numerology consultants, and with a view to align with the vision, values and market appeal of the company, it was decided by the management to change the name of the said project as "Samootha Sonthillu." It has been categorically declared that the change is

merely nominal and cosmetic in nature and does not entail any alteration to the ownership, layout, development permissions, sanctioned plans or approvals. It has also been clarified that both names, “Samoooha Vari Sonthillu” and “Samoooha Sonthillu,” refer to one and the same project of the company.

14. The Respondent has further submitted that with respect to “Samoooha Vari Sonthillu,” there are no registrations and agreements in existence. The affidavit has thus been executed to formally bring the aforesaid change to the notice of this Authority and to request updation of relevant records, registrations and approvals.

15. Further, the Respondent has also placed before this Authority a declaration dated 15.09.2025 addressed to the Authority, wherein it was submitted that the company has undertaken to comply with all provisions and responsibilities laid down under the RE(R&D) Act, 2016, and the Regulations framed thereunder. In the said declaration, the company has set out details of its projects, which include the marketing of “Pharma Avenue” at Nandiwanaparthi and “Central Amazon City” at Mirkhanpet, the ongoing projects “Samoooha Golden Gate” at Takkalapally Village (16 Acres) and “Samoooha Sonthillu” at Asmatpur Village, as well as the upcoming projects “Samoooha One,” “Samoooha Two,” “Samoooha Village” and “Samoooha Valley.”

16. The Respondent has also submitted that they have been issued a Real Estate Agent Registration Certificate bearing Registration No. A02400004273, dated 10.06.2025. The Respondent has further undertaken not to indulge in any unfair trade practices, not to cause the publication of any advertisement for projects or services not genuinely intended to be offered, and to discharge all functions and duties as prescribed under the RE(R&D) Act, 2016 and as may be directed by this Authority.

Observations of the Authority:

17. This Authority, upon examination of the material available on record, including the Respondent’s replies dated 26.03.2025 and 19.05.2025, the affidavit dated 06.08.2025, the declaration dated 15.09.2025, and all promotional material pertaining to the projects advertised under the brand name “Samoooha”, noticed that the Respondent had displayed various completed, ongoing, and upcoming projects on its official website. The Respondent has admitted that such projects were displayed on its official website, attributing the same to an inadvertent lapse on the part of its technical team. However, such an explanation is wholly untenable. Compliance with the RE(R&D) Act, 2016, is a statutory obligation, and the

responsibility to ensure strict adherence to the law cannot be delegated to subordinate staff. An asserted technical oversight cannot excuse conduct that amounts to statutory non-compliance and falls squarely within the mischief sought to be regulated by the RE(R&D) Act, 2016.

18. The Respondent has attempted to contend that it had been functioning only as a marketing agency, and that the responsibility for obtaining RERA registration lies with the respective landowners or developers. This contention is contradicted by the material on record. The promotional content available before the Authority does not merely present the Respondent as a Real Estate Agent, instead, the projects are displayed exclusively under the Respondent's banner, accompanied by descriptions, imagery and branding attributes that would lead any purchaser to reasonably believe that the projects belong to and are promoted by M/s Samootha Projects Pvt. Ltd.

19. The Respondent has placed reliance on the registration of the project "Raghavendra Homes" (Project Registration No. P02400002122). However, the Authority notes that the said project is registered in the name of B. Chandra Shekar Reddy as the Promoter, and not in the name of the Respondent company. The Respondent's assertion that it had obtained registration in its own name is therefore unsupported by the record.

20. This Authority notes that the Respondent has admitted that during the relevant period, it was not registered as a Real Estate Agent under Section 9 of the RE(R&D) Act, 2016. The application for agent registration was filed only on 16.05.2025, i.e., subsequent to the issuance of the Show Cause Notice. Notwithstanding the absence of such mandatory registration, the Respondent had admittedly facilitated the promotion and marketing of multiple real estate ventures, including Pharma Avenue and Central Amazon City. Such conduct is in clear violation of the express prohibitions contained in Section 9 of the RE(R&D) Act, 2016, which restrain any unregistered real estate agent from participating in the sale, marketing, promotion or advertisement of real estate projects. Also, such post-facto compliance does not absolve the Respondent from liability for violations already committed. The statutory framework mandates prior registration before engaging in any promotional or marketing activity. Compliance at a later stage does not cure or negate the consequences of earlier contraventions.

21. Also, upon scrutiny of the material placed before this Authority, the Respondent's own submissions, and the affidavit reveal that the projects "Samootha Vari Sonthillu / Samootha Sonthillu," "Samootha Golden Gate," "Pharma Avenue," "Central Amazon City," and other upcoming ventures, including Samootha One, Samootha Two, Samootha Village and Samootha Valley, were prominently displayed under the Respondent's uniform brand identity

“Samoooha.” Such projection is clearly promotional and intended to establish an association between the said projects and the Respondent. The consistent and deliberate use of the “Samoooha” branding conveys to any prospective allottee that the projects are conceived, developed or promoted by the Respondent.

22. With respect to the project earlier titled “Samoooha Vari Sonthillu”, the Respondent has filed an affidavit explaining that the name was changed to “Samoooha Sonthillu” based on Vastu and numerology considerations, with no change to ownership or approvals. While the Authority acknowledges the affidavit, it itself discloses that no registration existed for the project under either name. Notwithstanding the absence of registration, the Respondent proceeded to widely market this project through its website and promotional material. This constitutes a direct violation of Section 3 of the RE(R&D) Act, 2016, which prohibits any form of advertisement, marketing or offer for sale without prior registration of the project.

23. The declaration dated 15.09.2025 filed by the Respondent further reveals its association with several ongoing and upcoming projects, such as Samoooha Golden Gate, Samoooha Sonthillu, Samoooha One, Samoooha Two, Samoooha Village, Samoooha Valley, and other ventures. However, the Respondent has failed to furnish any RERA registration particulars for these projects. Instead, it has expressed a willingness to register them “as and when required.” Such a statement clearly implies that the Respondent had already been advertising and projecting unregistered projects to the public. This conduct is in contravention of Sections 3 and 4 of the RE(R&D) Act, 2016, and cannot be treated as a mere procedural lapse or oversight.

24. This Authority further notes that through its branding practices and promotional strategies, the Respondent has represented various projects under its own identity, thereby obscuring the identity and role of the actual promoters. Such conduct undermines the transparency and accountability objectives underlying the RE(R&D) Act, 2016.

25. In view of the foregoing observations and upon a comprehensive consideration of the material available on record, this Authority holds that the projects, namely “Samoooha Vari Sonthillu / Samoooha Sonthillu,” “Samoooha Golden Gate,” “Samoooha One,” “Samoooha Two,” “Samoooha Village,” and “Samoooha Valley,” having been advertised, marketed and projected without obtaining prior registration, are in violation of Section 3 of the RE(R&D) Act, 2016 and is liable for imposition of penalty under Section 59 and of the RE(R&D) Act, 2016. Also, the Respondent, having undertaken the promotion, marketing and facilitation of the sale of the projects, namely “Pharma Avenue” and “Central Amazon City”, without obtaining prior registration as a Real Estate Agent, has violated the provisions of Section 9 of the RE(R&D)

Act, 2016 and is therefore liable for imposition of penalty under Section 62 of the RE(R&D) Act, 2016.

Directions of the Authority:

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

- a) For violation of the provisions of Section 3 of the RE(R&D) Act, 2016, i.e., for failure to register the projects, namely “Samootha Golden Gate,” “Samootha Sonthillu,” “Samootha One,” “Samootha Two,” “Samootha Village,” and “Samootha Valley” with the Authority, the Respondent is liable for imposition of penalty under Section 59 of the RE(R&D) Act, 2016. Accordingly, a penalty of ₹ 4,15,78,400/- (Rupees Four Crores Fifteen Lakhs Seventy Eight Thousand Four Hundred only) is hereby imposed upon the Respondent for the said violation.
- b) Further, for violation of Section 9 of the RE(R&D) Act, 2016, i.e., for facilitating the sale or purchase of real estate projects, namely “Pharma Avenue” at Nandiwanaparthi and “Central Amazon City” at Mirkhanpet, without obtaining registration as a Real Estate Agent, the Respondent is liable for penalty under Section 61 of the RE(R&D) Act, 2016. Accordingly, a penalty of ₹ 3,96,250/- (Rupees Three Lakhs Ninety-Six Thousand Two Hundred and Fifty only) is hereby imposed upon the Respondent for the said violation.
- c) Thus, a consolidated penalty of ₹ 4,19,74,650/- (Rupees Four Crores Nineteen Lakhs Seventy-Four Thousand Six Hundred and Fifty only) is imposed upon the Respondent. The Respondent is directed to remit the said penalty amount within a period of 30 days from the date of this Order in favour of the TGRERA FUND through a Demand Draft or by way of online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.
- d) The Respondent-promoter shall not advertise, market, book or sell or offer for sale, or invite persons to purchase in any manner any plot in the concerned projects until all requisite approvals are obtained from the competent planning authorities.

- e) The Respondent shall complete the registration of the said projects detailed in (a) herein above with this Authority within 30 days from the date of obtaining necessary approvals and permissions from the competent Authority.
- f) The Secretary, TG RERA, is directed to issue a public notice forthwith, cautioning the general public against dealing with the Respondent Promoter or investing in the subject project. This public notice shall prominently include the relevant portions of this Order, especially the direction prohibiting any further transactions by the Promoter.
26. The 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

