

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

SUO - MOTO - CASE NO.6037/2024

24th of February 2025

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

M/s Vijay's J.B. Infra Group
Terra Green Hills

....PROMOTER/RESPONDENT
....PROJECT NAME

ORDER

The present suo motu case has been taken up by the Telangana Real Estate Regulatory Authority (TGRERA) in the exercise of powers conferred under Section 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "RE(R&D) Act, 2016") against the Respondent for advertising, marketing, selling, and inviting prospective buyers to purchase plots in its project "VJB's Terra Green Hills" situated at Tupranpet, through a brochure without obtaining mandatory registration with the Telangana Real Estate Regulatory Authority.

2. Pursuant to the said advertisement and in the exercise of powers under Section 35(1) of RE(R&D) Act, 2016, Show Cause Notices dated 28.12.2024 and 04.01.2025 were issued to the Respondent-Promoter, directing them to submit an explanation within seven (7) days 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, for contravening Sections 3(1) and 4(1) of the RE(R&D) Act. However, the Respondent failed to submit any explanation. Subsequently, another Notice bearing No. C/6037/TGRERA/2024, dated 16.01.2025, was issued to the Respondent-Promoter, directing them to appear before the Authority for a hearing scheduled on 18.01.2025. No appearances were made before this Authority.

3. However, in response to the notice dated 04.01.2025, the Respondent submitted a reply on 20.01.2025, stating that SVR Real Estate Traders, represented by its Managing Partner, E. Bhaskar Rao, had obtained layout permission for land bearing Sy. No. 12/P, 13, 14, 17/P, 18/P at Tupranpet Village, Choutuppal Mandal, Yadadri Bhuvanagiri District, vide LP No. 26/91, covering an extent of Ac.106.21gts and comprising 1,158 plots situated at SVS Nagar Colony, Malkapur Grampanchayat, Toopranpet Mandal, Yadadri Bhuvanagiri District. The Respondent further contended that the original owners had converted the said land from agricultural to non-agricultural use in 1990 and that the layout was sanctioned in 1991. The Respondent asserted that, as it was an old layout, a substantial portion of the plots had already been sold, and they were willing to comply with the statutory requirements under the Act, 2016, if necessary, and requested the withdrawal of the notice.

4. The Respondent has also submitted a reply on 13.02.2025 stating that, M/s SVS Real Estate Traders, rep. by its Managing Partner Mr. E. Bhaskar Rao, originally promoted the layout "Terra Green Hills" and obtained final layout proceedings vide. 19369/89D8 dated 31.01.1991. They sold some of the plots and kept the unsold units. M/s Terra Green Hills is a sister concern of "Vijay JB Infra Group", represented by Mr. Ch. Vijay Kumar, entered into an agreement of sale with M/s SVS Real Estate Traders, GPA holder, M/s LPF Systems Private Limited, consisting of 418 plots on an "as is where is" basis out of 1,20,000 Sq.yards property. The Company is in the process of acquiring additional land adjacent to an existing project and plans to seek HMDA approval as a single project, which leads to misrepresentation and confusion among public. He also asserted that Vijay's JB Infra Group is marketing the VJB's Terra Green Hills project, which is an older project, according to Section 3(2) Clause (b) of the RE(R&D) Act, this project received final layout approval prior to the Act's commencement, and not subject to RERA Regulations. The Respondent also submitted affidavit declaring that, they are offering to sell existing layout units, which were approved by the DTCP in the year 1991 vide L.P.No.19369/89DB dated 31.01.1991 for an extent of 418 plots without modifying the original structure of the layout and without making any additional to the approved layout.

5. The Authority has examined the brochure through which the Respondent has been advertising and marketing the plots, as well as the reply submitted by the Promoter. The Promoter, in its reply, claimed that the project "Terra Green Hills" is not registered with RERA as it pertains to an old layout. However, the brochure issued by M/s Vijay's J.B. Infra Group explicitly states that the project is registered with TGRERA, which constitutes a clear misrepresentation to the public at large and amounts to a violation of Section 3(1) of the RE(R&D) Act, 2016.

6. The Respondent-Promoter has also contended that, since the layout was approved long ago by the competent authority, the provisions of the RE(R&D) Act, 2016, are not applicable. However, Section 3(2) of the RE(R&D) Act provides for certain exceptions to project registration. Specifically, Section 3(2)(c) states that projects undertaken solely for the purpose of renovation, repair, or redevelopment, which do not involve marketing, advertising, selling, or new allotment of any apartment, plot, or building, are exempt from registration requirements. Furthermore, the Explanation to Section 3(2) stipulates that, where a real estate project is to be developed in phases, each phase shall be treated as a standalone real estate project requiring separate registration under the RE(R&D) Act, 2016.

7. In the present case, as evident from the brochure of M/s Terra Green Hills, the Respondent is redeveloping the layout by constructing a "Club House" with a swimming pool and is actively advertising, marketing, and inviting the public to purchase plots. Accordingly, the project falls within the ambit of the Act and is mandatorily required to be registered under RERA.

8. In view of the foregoing, the Authority finds that the Respondent has contravened the provisions of Sections 3(1) and 4(1) of the RE(R&D) Act, 2016, in respect of the project "M/s Terra Green Hills", situated at Malkapur Grampanchayat, Toopranpet Mandal, Yadadri Bhuvanagiri District, and is, therefore, penalty is levied against the Respondent/promoter for contravening the aforementioned section.

9. Considering the clear contravention of Sections 3 and 4 of the RE(R&D) Act, 2016, this Authority, exercising its powers under Sections 59 & 60 of the said Act, imposes a penalty of Rs. 2,00,000/- (Rupees Two lakhs only) to the

Respondent. The amount is payable in favour of TGRERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 45 days of receipt of this order by the Respondent/Promoter.

10. Further, the Respondent promoter is restrained not to advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner apartment or building, as the case maybe, in the said project or part of it.

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

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

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

