BEFORE TELANGANA STATE REAL ESTATE REGULATORY AUTHORITY

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

COMPLAINT NO.495 OF 2023

28th of December, 2023

Corum: Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson

Sri Laxmi Narayana Jannu, Hon'ble Member

Sri K. Srinivasa Rao, Hon'ble Member

Anish Manavath

...Complainant

Versus

M/s Young India Housing Pvt. Ltd rep by Chella Rajendra Reddy and Chella Renuka Reddy

...Respondent

The present matter filed by the Complainant herein came up for hearing on 11.10.2023, 09.11.2023 and on 16.11.2023 before this Authority in the presence of Complainant present in person, Sri Jagdish and Sri Rajendra Reddy on behalf of the Respondent and upon hearing the arguments of the party, 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 Respondent.

A. Facts of the case as stated in the complaint filed by the Complainant:

3. The Complainant asserts that he purchased two plots, numbered 133 and 134, in Green Mango Residencia (herein after referred as GMR projects), located in Bibinagar Mandal, Yadadri&Bhuvanagiri District, under HMDA limits in the year 2019. Despite the full payment of the sale consideration, the Respondent has not registered the plots in the Complainant's name, even after numerous personal follow-ups and written intimations.

4. Furthermore, the Complainant discovered that the project land is not registered in the name of the Respondent, and the project lacks the necessary approvals. Additionally, the Respondent has collected booking amounts for the Diamond Ring Residencia (herein after referred as DRR project) without commencing any developments. Despite the absence of RERA registration or sanctioned approvals, the Respondent has continued to market and launch new projects.

B. Relief sought:

5. Complainant seeks a directive from the Authority to compel the Respondent to register the plots in the GMR project and to refund the amount paid for the purchase of the DRR project plot.

C. Reply by the Respondent:

- **6.** The Respondent contends that M/s Young India Housing Private Limited is not the developer of the Green Mango Residency project. Instead, they have purchased the plots from landowners/developers and are selling them to allottees.
- 7. The Respondent asserts that the Complainant, having worked as a marketing agent within the company, is not an outsider and was well aware of the company's business operations. Complainant was aware about the fact that the two projects are not RERA registered and Respondent did not supressed any facts from the complainant with respect to the concerned projects.
- 8. It is alleged that the Complainant's behaviour and actions are against the company, and due to differences with the management, he left the company.
- 9. The Respondent claims to have prepared a sale deed on 21.06.2019 and paid registration charges on 10.07.2019. The Respondent asserts that the Complainant was not reachable and did not come forward for registration, choosing instead to approach the RERA authority to create a nuisance.

D. Hearing Conducted:

10. On 11.10.2023, a hearing was conducted in which only the Complainant was present before the Authority. Consequently, a fresh

summons was issued to the Respondent to appear on the next hearing date, 09.11.2023.

- 11. Subsequently, on 09.11.2023, both parties appeared before the Authority. The Complainant reiterated the contentions raised in the original complaint, emphasizing the lack of registration of the plots despite full payment. The Respondent, on the other hand, asserted responsiveness to the Complainant, providing evidence of paid registration charges. The Bench questioned the Respondent regarding RERA registration, to which they admitted the absence in regards to the two concerned real estate projects, however claiming to operate as Registered Real Estate agents under TS RERA having registered agent number AO2500000513.
- 12. However, the Respondent submitted that they are willing to register the plot immediately if the complainant still desires the plot to be registered. The Complainant agreed to this proposition. Consequently, both parties were granted a week's time to complete the registration of the plot and submit, before the bench, a copy of the Registered Sale Deed.
- 13. Subsequently, on the 16th of November, 2023, the Respondent submitted the Memorandum of Understanding affidavit. This document attested to the registration of Plot No. 133 and 134 of the Green Mango Residencia situated in Bibi Nagar, YadadriBhivangiri District, through a registered Sale Deed bearing numbers 2315-8488/2023 and 2315-8489/2023, dated 10th of November, 2023. Accompanying the MOU affidavit, copies of the registered Sale Deed were also submitted.
- 14. The Authority notes the submission made by the Respondent regarding the registration of the aforementioned plots, and acknowledges the documents provided in support of this claim.

E. Observations made by the Authority:

- 15. After consideration of the facts and circumstances of the present case, following issues sprout for consideration before this Authority:
 - 1. Whether the Respondent failed to register two plots in the project GMR?

- 2. Whether the Complaint is entitled to a refund of the amount paid for the purchase of plot in the DRR project?
- 3. Whether the Respondent has violated section 10 of RE(R&D) Act of 2016?

Point 1: Whether the Respondent failed to register the plots in the GMR project?

16. The Respondent submitted that they are willing to register the plot immediately if the complainant still desires the plot to be registered. The Complainant agreed to this proposition. Consequently, both parties were granted a week's time to complete the registration of the plot and submit, before the bench, a copy of the Registered Sale Deed. For which on the 16th of November, 2023, the Respondent submitted the Memorandum of Understanding affidavit. This document attested to the registration of Plot No. 133 and 134 of the Green Mango Residencia situated in Bibi Nagar, Yadadri Bhivangiri District, through a registered Sale Deed bearing numbers 2315-8488/2023 and 2315-8489/2023, dated 10th of November, 2023. Accompanying the MOU affidavit, copies of the registered Sale Deed were also submitted. Hence it is deemed that the complainant is entitled for the registration of the plots. However as an affidavit of memorandum of understanding was submitted to this Authority, the Authority is of the view that the said relief is resolved.

Point 2: Whether the Complainant is entitled to a refund of the amount paid for the purchase of a plot in the DRR project?

17. The Authority observes that while the Respondent registered plots from the GMR project, no denial or dispute was raised concerning the Complainant's purchase in the DRR project by the Respondent. Receipts submitted by the Complainant as evidence demonstrate payments made for the DRR project without corresponding registration. The receipts indicate that the payment was made to the Respondent for the same. This Authority concludes that the Complainant is entitled to a refund of the entire amount paid for the DRR project plot as no registration has made till date.

Point 3: Whether the Respondent has violated Section 10 of the RE(R&D) Act of 2016?

18. The Respondent admitted during the hearing that the concerned projects were not RERA registered. The Authority observed that the Respondent being aware that the concerned projects were not registered under this Authority, yet sold the plots to the complainant, constituting a violation of Section 10(a) of the RE(R&D) Act. This section prohibits the sale or purchase of any plot in a real estate project not registered with the Authority. Section 10(a) of the RE(R&D) Act of 2016 is reproduced herein below:

10. Every real estate agent registered under section 9 shall

(a) not facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a real estate project or part of it, being sold by the promoter in any planning area, which is not registered with the Authority

19. Plain reading of the above-quoted provision clearly portrays that the Respondent has violated section the above provision by selling and marketing of plots of real estate projects which is not registered under the Authority. Hence, its deemed that the Respondent has violated section 10(a) of the Act.

F. Direction of the Authority: ANA STATE REAL ESTATE REGULATORY AUTHORITY

- 20. After consideration of the facts and circumstances, the Authority issues the following directives:
 - 1. The Respondent is directed to refund the Complainant the amount paid for the DRR project plot within sixty days from the date of the receipt of this Order.
 - i. The Authority, exercising its power under Section 62 of the RE(R&D) Act, imposes a penalty of Rs 31,500/- (Rupees thirty-one thousand five hundred), for contravening Section 10 of the RE(R&D) Act of 2016. Additionally, the Respondent is directed to strictly comply with the Real Estate (Regulation and Development) Act, 2016, and refrain from engaging in any marketing or selling activities related to unregistered projects. 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.

- 21. In lieu thereof, the present complaint stands disposed of.
- 22. 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. K. Srinivas Rao,
Hon'ble Member
TS RERA

TS RERA