

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Dated this 13th day of November 2023

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

Complaint No. 1763 of 2023

Complaint no.1688 of 2023

Complaint No 1762 of 2023

Mula Satyanaryana

(1-9-19/134/1&2, Ramnagar Main Road, near Meeseva office- Hyderabad – 500020)

...Complainant

Versus

M/s Swayam Homes represented by Vantala Jangaiah Yadav

(Resp by Managing director Sri V.Jangaiah Yadav, R/o Madhusudhan Apartments, flat no.103-104, Street 5, Habsiguda – Hyderabad)

...Respondent

The present complaints were taken up for hearing on 13.11.2024 in the presence of SriThirupati, representative for the Respondent. However, there was no representation on behalf of the Complainant. Upon hearing the submissions made by the Respondent, the matters were reserved for orders. Accordingly, the Authority now proceeds to pass this common order.

ORDER

2. The Complainant has filed complaint on hand 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"), alleging non-payment of brokerage/commission by the promoter (Respondent) to the Real Estate Agent (Complainant) on certain plot sales and seeking direction to enforce such payment.

3. The issue that falls for consideration before this Authority is *whether a complaint filed by a real estate agent claiming commission from a promoter in respect of alleged sales is*

maintainable under the jurisdiction of this Authority as contemplated under the RE(R&D) Act, 2016.

4. It is pertinent to refer to the preamble of the Real Estate (Regulation and Development) Act, 2016, which clearly delineates the object and purpose of the enactment. It reads:

“An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector...”

5. A combined reading of the preamble, the scheme of the Act, and the substantive provisions therein makes it abundantly clear that the legislative intent of the RE(R&D) Act is primarily consumer-focused aimed at protecting the rights and interests of allottees/homebuyers and ensuring transparency, accountability, and efficiency in the functioning of promoters and real estate agents vis-à-vis the consumers.

6. In the present case, the entire grievance arises out of a dispute between a real estate agent and a promoter regarding alleged brokerage/commission on plot sales. The RE(R&D) Act does not create a statutory right in favour of real estate agents for enforcement of brokerage or commission through this Authority. Nor does it impose any statutory obligation on promoters to pay brokerage under this Act.

7. This Authority, being a creature of statute, is bound by the limitations of jurisdiction conferred upon it. No provision of the RE(R&D) Act, 2016, nor the Rules framed thereunder, confer jurisdiction upon the Authority to adjudicate disputes relating to commission claims between promoters and real estate agents.

8. The dispute raised by the Complainant appears to be purely contractual in nature, and if at all any grievance exists, the appropriate remedy would lie in approaching a civil court or competent forum having jurisdiction over alleged disputes not under the regulatory framework of this Authority.

9. Accordingly, as the nature of the grievance does not fall within the jurisdiction of this Authority under the Real Estate (Regulation and Development) Act, 2016, the captioned complaints are found to be not maintainable.

10. In view of the above, all three complaints, i.e., Complaint Nos. 1763 of 2023, 1688 of 2023, and 1762 of 2023, are dismissed as not maintainable for want of jurisdiction under the RE(R&D) Act, 2016.

11. No order as to costs.

**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**

