

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]

30th Day of July 2025

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

Complaint No.262 of 2024

Swapna Chikoti
R/o- H. No.8-49, Flat-406, Vimala Vihar Apartments
Gowtham Nagar, Dilshuknagar
Hyderabad, Telangana-500060

...Complainant

Versus

Krithika Infra Developers, rep. through its Authorized Representative
D. Srikanth, D. Shashikanth
R/o- 4th floor, Beside Bahar Biryani Café, Padhanjali Building
Opposite to HP Petrol Bunk/Orange Hospitals
Gunti Jangaiah Nagar, L.B Nagar X Road
Hyderabad, Telangana-500074

...Respondent

Complaint No.263 of 2024

Cheekoti Samprithi
R/o- H. No.8-49, Flat-406, Vimala Vihar Apartments
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...Respondent

The present matter filed by the Complainants herein came up for hearing on 10.04.2025 before this Authority in the presence of the Complainants in persons and none for Respondent despite service of notice and after hearing the arguments by the Complainants and therefore he

was set ex-parte on 10.04.2025, and after hearing the Complainants, this Authority passes the following **ORDER:**

2. The present Complaint has been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the “Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the “Rules”) seeking appropriate reliefs against the Respondent.

3. Given the similarity in the subject matter and the reliefs sought in both cases, they have been consolidated for the sake of convenience and to prevent unnecessary repetition.

A. Brief Facts of the Case:

4. The Complainants submitted that they were initially referred to the project by browsing Housing.com, following which they received a call from the agents representing Krithika Infra Developers. Within a couple of days of receiving this call, they visited both the developer’s office and the proposed project site “Sheshadri’s Silver Oak”. During this visit, they were informed that the pre-launch offer would close within 4 to 5 days. Upon requesting documents related to the zonal conversion and HMDA approval, the agents showed these at the office but declined to provide copies for the Complainants' records.

5. The Complainants submitted that the agents targeted middle-class sentiments by repeatedly emphasizing the urgency of the pre-launch offer and persistently pressured them into making a payment. Under this pressure, the Complainants availed a personal loan and individually paid a total amount of ₹39,83,406/- (Rupees Thirty Nine Lakh Eighty Three Thousands Four Hundred and Six Rupees Only) within a month for the purchase of a 1,594 sq. ft. flat in the said project. A sum of ₹37,44,306 was paid by 16.08.2022, followed by an additional ₹2,39,100 on 23.03.2023 towards registration charges. Despite full payment, the registration was not completed.

6. The Complainants submitted that they regularly visited the project site (Sheshadri’s Silver Oak) to assess the development but observed no initiation or progress of construction for over a year. Their repeated attempts to contact the developer and specifically Mr. D. Srikanth and his

brother Mr. D. Shashikanth were met with unresponsiveness and, on some occasions, vulgar and inappropriate language, disregarding the Complainants' concerns and dignity.

7. The Complainants submitted that after facing repeated negligence and being treated in an unprofessional and intimidating manner—including the presence of bouncers to deter their visits—they approached a journalist for support, after which the developers began to respond. Mr. D. Srikanth then called the Complainants to the office and assured that the project would be completed within six months to a year. However, unwilling to fall into further false promises, the Complainants decided to cancel the flat purchase.

8. The Complainants submitted that since June 2023, Mr. D. Srikanth orally assured them that the entire paid amount of ₹39,83,406 would be refunded, but he repeatedly failed to fulfill these promises and did not provide any post-dated cheques initially. Only after continuous follow-ups and due to the absence of registration or any refund, he issued post-dated cheques on 15.11.2023 dated for 31.01.2024, with an additional commitment that the payment might be made before the due date.

9. The Complainants submitted that despite several follow-ups before 31.01.2024, Mr. D. Srikanth requested them not to deposit the cheques, citing a lack of funds, and personally visited their residence to make this request. He later promised repayment by 25.03.2024, but failed again and issued a second set of post-dated cheques dated 30.04.2024, which were also dishonored.

10. The Complainants submitted that due to continuous breaches of commitment and non-fulfillment of obligations despite issuing cheques, they approached Medipally Police Station and lodged a complaint. During mediation facilitated by the police, Mr. D. Srikanth again promised to refund the amount by 05.08.2024, a commitment which was documented on ₹100 bond paper along with the issuance of a post-dated cheque for ₹44,03,406 (including nominal interest).

11. The Complainants submitted that despite police intervention, the cheque was dishonored due to insufficient funds. This continued failure has not only caused them severe financial stress but also led to significant mental trauma, as they are burdened with repaying high-interest personal loans availed for the said purchase.

12. The Complainants submitted that while they struggle financially, the developer, Mr. D. Srikanth, continues to lead a lavish lifestyle, reportedly purchasing expensive vehicles and luxury goods using funds collected from over 80 customers. Feedback from local residents and online reviews has revealed serious concerns about the developer's credibility, including fears of absconding with customer funds. Alarming, the developer is still marketing and selling flats under the pretext of offering affordable housing to emotionally vulnerable middle-class buyers.

13. The Complainants submitted that in light of all the above, and in pursuit of justice and the refund of their hard-earned money, they are compelled to approach this Hon'ble Authority with a humble request to intervene and ensure immediate redressal by directing the developer to refund the total amount of ₹39,83,406 with appropriate interest and compensation for mental harassment and financial loss.

B. Relief Sought:

14. Accordingly, the Complainant sought for the following reliefs:

I. Refund of Amount Rs.39,83,406/-(Rupees Thirty Nine Lakh Eighty Three Thousands Four Hundred Six Rupees) with 3% interest from the date of 16.08.2022.

II. proper Punishment should be given to D. Srikanth and D. Shashikanth for cheating people to make money.

III. Please make sure to stop this project.

C. Points for consideration

15. Following issues sprout for consideration by the Authority:

I. Whether the Respondent violated Sections 3 & 4 of the RE(R&D) Act, 2016, by not registering the project, Sheshadri's Silver Oak?

II. Whether the Complainants are entitled to the reliefs? If yes, to what extent?

D. Observation of the Authority

POINT I

16. The record clearly indicates that the attempt to serve notice upon the Respondent was unsuccessful, as the notice was returned with the postal remark “no such person at the address.” Thereafter, in strict compliance with the directions of this Authority, the Complainants undertook substituted service, including personal delivery of the notice to the Respondent. Despite such valid and adequate service, the Respondent failed to appear before this Authority, did not file any reply or response, nor did he participate by making oral submissions during the proceedings. This persistent refusal to engage, despite multiple opportunities afforded, evidences a clear and deliberate avoidance of legal accountability. Therefore, this Authority, after ensuring that all procedural requirements were fully complied with, was constrained to proceed ex-parte against the Respondent by order dated 10.04.2025.

17. The Agreements of Sale placed on record, dated 05.11.2022 for Complaint No. 262 of 2024 and 09.12.2022 for Complaint No. 263 of 2024 respectively, unequivocally establish that the Complainants were allotted flats in the proposed real estate project named “Sheshadri’s Silver Oak.” This project is situated in Survey No. 215, Boduppall Village, Medipally Mandal, Medchal-Malkajgiri District, Telangana. The project area encompasses approximately 13,658 square yards, which converts to about 11,418 square meters. Each Complainant was allotted a flat with a built-up area of 1,594 square feet, along with a corresponding undivided share in the land.

18. It is clear from the aforementioned data that the land area involved in the project exceeds 500 square meters, and the number of residential units proposed is significantly above eight. Consequently, the project does not qualify for the exemption specified under Section 3(2) of the RE(R&D) Act, 2016, which exempts projects only where the land area is less than or equal to 500 square meters or the total number of apartments does not exceed eight inclusive of all phases. This statutory provision is crucial as it imposes a mandatory requirement for registration of projects of the magnitude of “Sheshadri’s Silver Oak” prior to any advertisement, marketing, or sale activity.

19. Furthermore, Section 4 of the RE(R&D) Act, 2016 explicitly mandates that every promoter must file an application for registration of the real estate project in the manner prescribed by the Rules. In the instant case, there is no evidence on record to suggest that the Respondent has fulfilled

this obligation. The Respondent has neither filed the application nor appeared to provide any material evidence to demonstrate compliance with Section 4. This admitted failure to comply with the registration requirements constitutes a clear breach of the statutory scheme envisioned by the RERA(R&D) Act, 2016.

20. In light of the foregoing analysis, it is established that the Respondent has committed clear violations of Sections 3 and 4 of the RERA(R&D) Act, 2016. The Respondent entered into Agreements of Sale and accepted substantial payments from the Complainants for units in the project “Sheshadri’s Silver Oak” without obtaining the mandatory registration from this Authority. Despite being provided an opportunity to demonstrate compliance, the Respondent neither submitted a valid application under Section 4 nor placed any material on record to justify his actions. This amounts to a direct and continuing breach of the statutory provisions and violation of Section 3 of RE(R&D) Act, 2016 which mandates pre-registration as a prerequisite for marketing, advertising, booking, offering for sale, selling, or entering into any agreement or inviting person/s to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority. These actions not only contravene the legal obligations imposed upon promoters but also undermine the trust and financial security of consumers, which the RERA(R&D) Act, 2016 seeks to safeguard. Accordingly, the Authority holds the Respondent liable for penalty under Sections 59 and 60 of the RERA(R&D) Act, 2016 for these violations. In view of the same, Point I answered in the affirmative.

21. This Authority further takes notice of the fact that in Complaint No. 115 of 2024, **a penalty of ₹9,96,050/- (Rupees Nine Lakhs Ninety-Six Thousand and Fifty Only) was imposed on the same Respondent for violation of Sections 3 and 4 of the RERA(R&D) Act, 2016** in connection with the same unregistered project, “Sheshadri’s Silver Oak.” That penalty was levied on account of the Respondent’s failure to register the project prior to advertising, marketing, and entering into agreements for sale with prospective buyers. The present complaints emanate from the very same project and involve identical omissions and statutory contraventions on the part of the Respondent. The Authority views this pattern of persistent non-compliance and failure to reform, even after penal action, as a deliberate and wilful breach of the statutory framework prescribed under the Real Estate (Regulation and Development) Act, 2016. Such conduct undermines the primary

objectives of the legislation, which are to bring transparency, accountability, and protection to the real estate sector, and amounts to unfair trade practice that exploits consumer trust. Accordingly, the Authority records the earlier penalty in these proceedings and hereby warns the Respondent that any recurrence of such violations shall attract more stringent punitive measures under Sections 61 of the RERA(R&D) Act, 2016. The Respondent is hereby directed to cease all marketing, sale, or promotion of units in the unregistered project forthwith, failing which further coercive action shall be initiated.

POINT II

22. With respect to reliefs, the Complainants have prayed for full refund of the amounts paid, together with interest as prescribed under the relevant Rules. In addition, the Complainants have sought imposition of appropriate punitive action against the Respondent, given the repeated violations, false assurances, and the overall pattern of conduct exhibiting a wilful disregard for statutory obligations and consumer rights.

23. In this context, it is relevant to observe that this Authority is currently seized of numerous complaints involving M/s Krithika Infra Developers, many raising identical allegations of failure to register projects, unauthorized collection of funds, mismanagement of allottee monies, and failure to deliver possession. This persistent pattern of violations across multiple projects indicates a systemic disregard for the regulatory regime and the allottees protection objectives of the RERA(R&D) Act, 2016. Such conduct necessitates vigilant oversight and firm penal measures to deter recurrence and protect the interests of homebuyers.

24. In addition, this Authority had earlier issued a public notice dated 25.04.2025 for the concerned project cautioning the general public against engaging in any transactions or dealings with the Respondent, M/s Krithika Infra Developers and its representatives with respect to the concerned project, in view of ongoing non-compliance and unresolved grievances. The public notice served as a protective measure to prevent further financial harm to potential buyers and to uphold the integrity of the real estate regulatory framework.

25. Coming to the facts of the present complaint, the Complainants have brought on record that the Respondent issued post-dated cheques towards refund on three separate occasions dated

15.11.2023, 30.04.2024, and 05.08.2024. However, all such cheques were dishonoured due to insufficient funds, as evidenced by bank return memos. Despite repeated attempts by the Complainants to seek resolution, the Respondent merely provided verbal assurances without any substantive follow-through. This pattern of behaviour demonstrates an intention to mislead and delay, aggravating the financial and mental hardship suffered by the Complainants.

26. Moreover, despite proper service of notice and subsequent substituted service carried out in strict compliance with the directions of this Authority, the Respondent deliberately chose not to appear or file any response. This continued non-participation reflects a blatant disregard for the proceedings before this Authority and indicates the seriousness of the grievances raised by the Complainants. The Respondent's failure to engage with the process further lends credence to the allegations made and reinforces the necessity for expeditious adjudication and appropriate remedial action in the interest of justice and consumer protection.

27. From the material on record, it is evident that the Respondent received the entire sale consideration from the Complainants but failed to commence any construction activity at the project site. Despite repeated personal assurances and issuance of multiple post-dated cheques accompanied by written undertaking, the Respondent did not refund the amounts paid. All such cheques were dishonoured, and no steps were taken to fulfil the promised refund. This persistent inaction, coupled with the absence of project development, has resulted in severe financial and mental hardship to the Complainants.

28. In view of these circumstances, this Authority finds that the Complainants are entitled to a refund of the entire amount paid, along with interest, in accordance with Section 18(1)(a) of the Real Estate (Regulation and Development) Act, 2016 read with Rule 15 of the Telangana Rules, 2017.

29. As regards, violations are concerned, this Authority in Point I has already concluded the violations committed on part of the Respondent for which he is liable for penalty. Therefore, Point II is answered in affirmative, and the Complainants are entitled to a full refund of ₹39,83,406/- (Rupees Thirty-Nine Lakh Eighty-Three Thousand Four Hundred and Six Only) each along with applicable interest. Therefore, Point II is answered in the affirmative.

E. Directions of the Authority:

30. In accordance with the discussions made above, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondent:

- i. The Respondent is directed to refund the entire amount of Rs. ₹39,83,406/- (Rupees Thirty Nine Lakh Eighty Three Thousands Four Hundred and Six Rupees Only) to each of the Complainants individually along with interest at the rate of 11% per annum (SBI MCLR of 9% + 2%) from the date of the agreement of sale (05.11.2022 for Complaint No.262/2024 and 09.12.2022 for Complaint No. 263/2024) till the date of actual refund in accordance with Rule 15 of the Rules, 2017 within 30 (thirty) days;

31. As a result, the complaint is disposed of. No order as to costs.

Sd/-

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

Sd/-

Sri Laxmi Narayana Jannu,
Hon'ble Member,
TG RERA

Sd/-

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

