

**BEFORE THE
TELANGANA STATE REAL ESTATE REGULATORY
AUTHORITY, HYDERABAD**

COMPLAINT NO.120/2022/TSRERA

Date of decision: 17.08.2023

Smt K Rama Kumari

.... **Complainant**

Versus

M/sSpace Vision Group rep by Sri Srinivas Reddy

.... **Respondents**

Quorum:

Dr.N.Satyanarayana, Hon'ble Chairperson
Sri. K. Srinivas Rao, , Hon'ble Member
Sri. Laxmi Naryana Jannu, Hon'ble Member

Appearance:

Complainant: Present in person
Respondent: None appeared for Respondent

ORDER

The present complaint has been filed under section 31 of the Real Estate (Regulation and 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") for violation of section 13 of the Act, wherein A promoter shall not take any deposit or advance without first entering into agreement for sale.

A. Facts of the Complaint:

2. The Complainant has made the following submissions in the complaint
 - I. The complainant purchased Plot No.851 in Ambience Venture at Sadashivpet from Space Vision Group in January 2020. The total amount paid for the plot, including registration charges, was Rs.9,87,500.

- II. As per an oral agreement, the remaining amount of Rs.5,50,000 for the development of the plot was to be paid at the time of registration.
- III. However, the registration of the plot was delayed due to the builder's negligence, despite other plots being registered for other buyers. The complainant made numerous follow-ups with the builder.
- IV. After persistent follow-ups, the builder informed the complainant that the plot had been registered to someone else. This situation led the complainant to believe that she has been cheated by the builder.

B. Relief sought by the complainant: -

3. The Complainant has sought the following relief(s): - To direct the builder (Space Vision (Group) to register a similar plot to the Complainant.

4. A notice numbered No.120/2022/TSRERA, dated 23.06.2022, was issued to the Respondent, directing them to respond as per Rule 34(1) and (2) of the Rules, 2017.

C. Reply by the Respondent:

5. The Respondent by the way of written reply dated 03.09.2022 made the following submission that.

- I. The complainant had approached them in February 2020 and agreed to purchase a plot in the Sadashivpet Project. They claimed that she paid only Rs. 9,60,000/- out of the total sale consideration of Rs. 15,00,000/-, disputing the complainant's stated payment of Rs. 9,87,500/-.
- II. Furthermore, Space Vision Group contested the availability of Plot No. 851, asserting that it had already been sold to another party. They purportedly informed the complainant of this and offered her an alternative plot in the layout. They alleged that despite multiple requests, the complainant did not pay the remaining balance or select a plot for registration. Instead, she filed a complaint with the Authority, allegedly suppressing essential facts.
- III. Space Vision Group expressed willingness to proceed with the registration process if the complainant chose an available plot, paid the remaining balance, and adhered to the registration procedure.

D. Jurisdiction of the Authority:

6. The authority observes that it has subject matter jurisdiction to adjudicate the present complaint for the reason given below:

Subject Matter Jurisdiction: As per section 13(1) of the Act, wherein A promoter shall not take any deposit or advance without first entering into agreement for sale. Section 13(1) is reproduced as hereinafter:

***13(1)** A promoter shall not accept a sum more than ten per cent of the cost of the apartment, plot, or building as the case may be, as an advance payment or an application fee, from a person without first entering into a written agreement for sale with such person and register the said agreement for sale, under any law for the time being in force.*

Section 34- Functions of the Authority:

34(f) to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder.

7. So, In the view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligation by the Promoter.

E. Hearing Conducted:

8. The matter was heard on 17.08.2023, with the Complainant and their Advocate present, while the Respondent was absent. During the hearing, the Complainant reiterated stating the following:

9. Complainant entitled to a similar Plot.

- i. The Complainant was allocated Plot No. 851 in the project named 'Ambience Venture' at Sadashivpet by the Respondent, for a total sale consideration of Rs. 15,00,000. Despite multiple requests made by the Complainant, the Promoter failed to enter into an agreement of sale. Payment receipts issued by the Respondent in the Complainant's name have been submitted to the authority.
- ii. The Respondent also acknowledges receiving payments made by the Complainant for the specific plot claimed by the Complainant.

However, the Respondent's assertion that the Complainant failed to pay the remaining balance or select an alternative plot, resulting in a delay in registration, does not sufficiently explain why the Respondent demanded a sum exceeding ten percent of the total plot amount, thereby violating the provisions of the Act.

- iii. In a written reply dated 29.08.2022, the Respondent submitted that they are willing to proceed with registration from the available plots of the Complainant's choice.
- iv. Considering the circumstances, documents, and submissions presented by both parties, and based on the Authority's findings regarding contravention under Rule 34(2)(i)(i) of the Rules, the Authority is satisfied that the Respondent is in violation of the Act. The Act mandates that a Promoter cannot accept advances or deposits exceeding ten percent without entering into an Agreement of Sale. The Respondent failed to adhere to the Act's provisions and demanded more than ten percent of the total plot amount.
- v. Therefore, due to this non-compliance with the mandate stipulated in section 13(1) of the Act, the Complainant is entitled to the registration of a similar plot of her choice."

D. Directions of the Authority:

- 10. Hence, the authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the functions entrusted to the Authority under section 34(f) of the Act of 2016:
 - I. The Respondent is directed to offer a similar plot according to the Complainant's choice.
 - II. If the Complainant has deliberately delayed payment of the balance amount, the Complainant is liable to pay the interest to the Respondent.
 - III. The Respondent is directed to register the said Plot in the name of the Complainant on the same day on receipt of the balance amount payable by the Complainant.

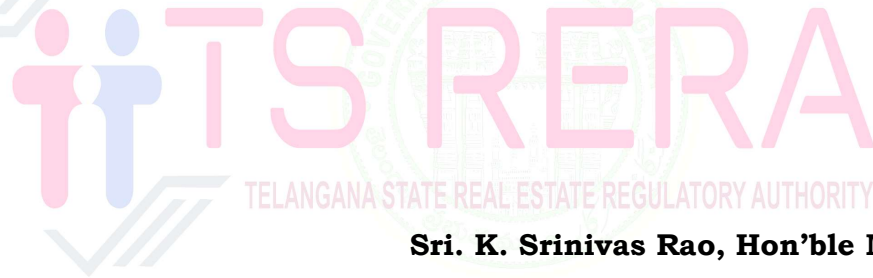
IV. A penalty of Rs.1,00,000/- is imposed on the Respondent as per Section 61 of the Act for the violation of Section 13(1) of the Act. The Respondent is expected to fulfil the above Penalty payment within 30 days from the date of this order.

The parties are hereby informed that failure to comply with this Order shall attract section 63 of the Act.

V. 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 Telanagana 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 receipt of this Order.

VI. The case file shall be duly archived within the Registry for record-keeping purposes

11. Complaint stands disposed of.



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

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

Sd/-
Dr.N.Satyanarayana, Hon'ble Chairperson
TS RERA