

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

COMPLAINT NO.520 OF 2024

4th Day of April, 2024

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

Sri Sharath Chandimal

...Complainant

Versus

M/s Buildox Private Limited

...Respondents

The present matter filed by the Complainant herein came up for hearing on 04.04.2024 before this Authority in the presence of the Senior Counsel for Complainant, Sri D. Srinivas and Counsel for Respondent, Sri Ayush and upon hearing the arguments, this Authority passes the following **INTERIM 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 "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") requesting interim directions to:

- a. *Appoint an advocate commissioner to conduct an inquiry into the number of sales by the Respondent, amounts received in this regard and collect other information to ascertain the extent of this fraud;*
- b. *Call for information of the all the bank account statements of Respondent, its group companies and entities, more particularly A/c Number account No.*

038205005677 IFSC Code: ICIC0000382; receipts issued by the Respondent and other relevant documents necessary for adjudication of this complaint;

c. Refrain the Respondent from marketing for sale of flats in the project "The Continent" at Hafeezpet/ Kondapur; and appoint an advocate commissioner to appropriate action against the Respondents.

3. The Senior Counsel for the Complainant, Sri D. Srinivas submitted that the Respondent has violated Sections 3 and 4 of the Act, 2016 by not registering the Project situated at Survey No.80 of Hafeezpet, Telangana with this Authority and advertising the same on public media such as Facebook and WhatsApp. the Complainant further alleged that the Respondent has collected huge amounts of monies from innocent homebuyers in the name of this Project to which the Respondent does not have title nor does he have any agreement from the original landowners. He added that, in fact, the land is in "prohibited category" and the matter in relation to the said land is pending adjudication before the Hon'ble Supreme Court.

3. In view of the above, the Senior Counsel for the Complainant submitted that the Respondent is proceeding for sales of the flats in the Project without having legal title or valid DAGPA or any such legally valid agreement and thereby collecting huge amounts of funds duping innocent homebuyers. He added that numerous potential innocent homebuyers are likely to be affected and grave financial losses may be caused to them if appropriate action against the Respondent is not taken. Therefore, the Complainant prayed to grant the interim directions as sought for.

4. *Per contra*, the Counsel for the Respondent, filed *Vakalathnama* along with a memo submitting that the Respondent is actively involved in election campaigning and therefore sought two (2) months' time to file a detailed reply to all the

allegations and that no interim directions be granted without hearing the Respondent.

5. This Authority has considered the averments of the Complainant and the Respondent and observes that there is force in the arguments of the Complainant and balance of convenience lies in favour of the Complainant and no harm is attributed to the Respondent if the interim relief as prayed for is granted. Considering the alleged violation of Section 3, 4 and 11(2), this Authority, in the interest of the rights, interests and welfare of the innocent homebuyer, while exercising its powers under Section 36 and 37 of the Act, 2016, deems it fit to direct the Respondent as follows:

- a. Respondent is directed to submit the bank account statements of Respondent, its group companies and entities, more particularly A/c Number account No. 038205005677 IFSC Code: ICIC0000382 within 7 (seven) days with a copy supplied to the Complainant; and
- b. The Respondent is restrained from marketing/advertising/selling or any such act in violation of the provisions of this Act in the proposed Project situated at Hafeezpet and deactivate the Facebook advertisement till the final disposal of this matter.

6. Should the Respondent fail to comply with the directions as mentioned above, appropriate action under Section 63 will be initiated against the Respondent. The matter is listed on 25.04.2024 for counter and hearing.

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

Sd/-
Sri Laxmi Narayana Jannu,
Hon'ble Member,
TS RERA

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