

Case Citation: (2026) ibclaw.in 497 REAT
IN THE ANDHRA PRADESH REAL ESTATE APPELLATE TRIBUNAL
AT AMARAVATI

TUESDAY, THE SEVENTH DAY OF JULY
TWO THOUSAND AND TWENTY SIX

CORAM:

THE HON'BLE SRI JUSTICE M. GANGA RAO, CHAIRPERSON
AND
THE HON'BLE SRI RAMACHANDRA REDDY MANDALAPU, MEMBER (JUDICIAL)

Appeal No.1/2025
(against Complaint No.23/2024)

BETWEEN:

Upadrasta Venkata Lakshmi Narasimha Murthy,
S/o.late U. Joga Rao, aged: 64
R/o.D.No.7-2-7, Flat No.F-2, Garudardhri Towers,
Nageswara Rao Street, Ramarao Peta,
Kakinada (Urban), Kakinada District.
(By Sri P. Vivek, Counsel)

... Appellant/Complainant

AND

1. Vice-Chairman,
Eluru Urban Development Authority,
Door No.16B-16-34, Rukmini Nivas,
Chandra Gupta Colony,
Eluru – 534 005, Eluru District, Andhra Pradesh.
(By Sri R.K. Acharulu, SC for EUDA)

... Respondent/Respondent

2. The Andhra Pradesh Real Estate Authority,
D.No.60-5-1, Y Tower, Siddhartha Nagar,
1st Lane, Pinnamaneni Polyclinic Road,
Vijayawada – 520 010, Krishna District, A.P.
(By Sri. P.B.V. Koteswara Rao, SC for AP RERA)

3. The State of Andhra Pradesh,
Rep. by its Principal Secretary,
Department of Municipal Administration and Urban Development,
Secretariat Buildings, Velagapudi, Amaravati,
Guntur District, Andhra Pradesh.
(Impleaded vide Order dated 07-10-2025 in IA.No.1/2025 in Appeal No.1/2025)

... Respondents

Application filed under Section 44(1) of the Real Estate (Regulation and Development) Act, praying this Tribunal to

“To direct the respondent to register the sale deed in favour of this appellant in respect of sale agreement schedule property at the earliest and to pay interest at the rate specified in the AP RERA Rules for every month of delay till the handing over of possession of plot as per terms of the sale agreement.”

The Tribunal made the following Judgement:

(Oral Order as per Hon'ble Sri Justice M. Ganga Rao, Chairperson)

Part I - JUDGEMENT

1. The Appellant is the Complainant/Allottee of the housing plot filed this Appeal under Section 44(1) of the Real Estate (Regulation and Development) Act, 2016 (for brevity herein after called as 'the RERA Act') against the order of the Andhra Pradesh Real Estate Regulatory Authority (for brevity herein after called as 'the RERA Authority'), dated 05-05-2025, passed in the Complaint No.23 of 2024. Wherein and whereby the RERA Authority directed 1st respondent, the Vice Chairman, Eluru Urban Development Authority (for brevity herein after called as 'EUDA'), Eluru District, Andhra Pradesh, to refund an amount of Rs.17,99,800/- (Rupees Seventeen Lakhs Ninty Nine Thousand Eight hundred only) to the Appellant/Complainant along with interest @ 11% P.A. (i.e., MCLR 9% + 2%) calculated from the date of receipt of deposits till the date of realization and further directed to pay Rs.10,000/- (Rupees Ten Thousand only) towards legal expenses incurred by the Complainant.
2. Originally, the appeal is filed by the Complainant himself (Party-in-person) and thereafter he engaged Advocate/Counsel. The Counsel filed petition I.A.No.2 of 2025 to receive Additional grounds in the

Appeal No.1 of 2025 and the petition is allowed on 24-03-2026. In the Memorandum of Appeal, several grounds are raised challenging the order under Appeal:

3. The facts leading to filing of the Appeal: The Appellant filed a complaint under the provisions of Section 31 of the RERA Act against the 1st Respondent, the Vice Chairman, EUDA, Eluru, the Promoter, stating that the appellant, in response to the advertisement and invitation, applied for allotment of plot admeasuring 200 sq. yards situated in the 'Jagannanna Smart Township' (MIG Layout) located at Sanivarampeta, Eluru developed by the EUDA vide Application No.MIG/1172/EUDA/2021/106, dated 29-10-2022 and he paid 10% of the total cost of the plot amounting to Rs.1,79,980/- (Rupees One Lakh Seventy Nine Thousand Nine Hundred and Eighty only) through online transaction which was acknowledged by the 1st Respondent, the EUDA vide receipt dated 29-10-2022. Thereafter, he was allotted plot No.289 admeasuring 200 sq. yards by the EUDA through a Sale Agreement, dated 21-01-2023. The appellant subsequently made a final payment of Rs.15,29,830/- (Rupees Fifteen Lakhs Twenty Nine Thousand Eight Hundred and Thirty only) towards the full and final payment of the plot through online mode by availing a 5% rebate as per the scheme. Even after payment of total sale consideration of plot and fulfillment of all obligations under

the Sale agreement, the 1st Respondent, the EUDA had failed to register the plot in the appellant's name. In spite of repeated requests made by the appellant, the 1st Respondent, the EUDA failed to register the plot in the name of the appellant as per the sale agreement. He prayed the RERA Authority to direct the EUDA to register the plot in his name and the payment of interest for delay occurred in execution of the sale deed as per clause 7.6 of the sale agreement and as per Rule 17 of the Andhra Pradesh Real Estate (Regulation and Development) Rules, 2017 (for brevity herein after called as 'the Rules 2017').

4. The EUDA, the 1st respondent, filed Counter, stating that MIG Smart Townships project was undertaken by the EUDA pursuant to the G.O.Ms.No.76, dated 28-07-2021 issued by the Government of Andhra Pradesh, the EUDA was permitted the Development of the layout vide Memo No.15996971/M2/2021, dated 28-11/2021 and advanced possession of the Project land was handed over by the Tahsildar, Eluru on 22-12-2021. The technical layout approval was granted by the Director of Town and Country Planning, Andhra Pradesh, through TLP No.02/2022/MIG/R, dated 07-01/2022, and the allotment of plots was conducted by online lottery system in accordance with the guidelines issued in G.O.Ms.No.12, dated 10-02-2022.

5. The Appellant made full payment of the sale consideration of the plot by availing the benefit of 5% rebate. The 1st respondent further states that the land is under the possession of government and it is in the process of alienation and until such formal alienation is completed, the registration of the plots to home buyers couldn't be undertaken. The delay in registration of the plots is beyond its control and constitutes a 'Force Majeure' event as referred in the sale agreement and 80% of the infrastructure works were completed and the project is a non-profit initiative, intended to benefit the middle-income group people. The 1st respondent, the EUDA expressed its willingness to refund the amount paid by the appellant (without interest) if he wishes to withdraw from the project. The appellant filed rejoinder to the counter of the respondent and requested the RERA Authority to direct the respondent to execute a sale deed in his favour, in respect of the plot, stating that he is interested in continuing with the project. The RERA Authority on considering the facts and circumstances of the case and upon perusal of the records, disposed of the Complaint holding that the delay in Registration of the plot is due to the absence of the Government Order alienating the land to the EUDA and rejected the 'Force Majeure' plea of the 1st respondent, the EUDA, referring to the 'Force Majeure' defined under the provisions of the RERA Act. The definition of the FORCE

MAJEURE includes war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature. The delay in the alienation of land due to administration inaction doesn't fall within the scope of 'FORCE MAJEURE' and the 1st respondent, the EUDA doesn't have a valid title to the property and the question of directing the 1st respondent to execute a registered sale deed in the name of the complainant/appellant doesn't arise. However, since the complainant/appellant had made full payment and has denied the possession of the plot due to respondent's failure to fulfill their obligations, the complainant/appellant is entitled to a refund of the amount paid along with the applicable interest, legal costs and compensation. The appellant is also at liberty to seek additional compensation by filing a separate complaint before the Adjudicating Officer under Section 71 of the RERA Act.

6. The RERA Authority exercising the powers under Section 37 of the RERA Act, issued the following directions:

- (i) The Respondent is directed to refund the amount of Rs.17,99800/- (Rupees Seventeen Lakhs Ninety-Nine Thousand and Eight Hundred only) to the Complainant, along with interest @ 11% per annum (i.e., MCLR 9% +2%), calculated from the date of respective deposits till the date of realization.
- (ii) The Respondent is further directed to pay Rs.10,000/- (Rupees Ten Thousand only) towards legal expenses incurred by the Complainant.

(iii) In case of non-compliance with this Order, additional penalties shall be imposed under Section 63 of the RERA Act, 2016.

7. Being aggrieved by the Order of the RERA Authority passed in Complaint No.23 of 2024, dated 05-05-2025, the present appeal is filed by the appellant on various grounds stated in the Memorandum of Appeal.
8. Heard Sri P. Vivek, Counsel for the appellant, Sri P.B.V. Koteswara Rao, Standing Counsel for the RERA Authority. Whereas, Sri R.K. Acharulu, Standing Counsel for the EUDA and Advocate on record has not appeared to make his final arguments/submissions in spite of several long adjournments.
9. The 3rd Respondent, 'The State of Andhra Pradesh, Rep. by its Principal Secretary, Department of Municipal Administration and Urban Development, Secretariat Buildings, Velagapudi, Amaravati, Guntur District, Andhra Pradesh' was impleaded by allowing implead petition IA.No.1 of 2025 dated:07-10-2025. The 3rd respondent has not made his appearance personally or through counsel and not filed any counter in the appeal and not submitted any final arguments. In those circumstances, the Tribunal construed that the respondents No.1 and 3 have no arguments in opposing the Appeal.

10. In the facts and circumstances of the case and having considered submissions of the Counsels and upon perusal of the records, and considering the written submissions made by the 1st Respondent, EUDA, the Issues that fell for consideration of this Tribunal is thus;
- I. Whether the non-registration of the plot in favour of the appellant/complainant by the 1st respondent is justified?
 - II. Whether the non-alienation/transfer of Project land in favour of the 1st respondent by the 3rd respondent would absolve the 1st Respondent, EUDA from the statutory duty of registering the plot under the provisions Section 17 of the RERA Act, in favour of the appellant?
 - III. Whether the Order under Appeal is sustainable under the provisions of the RERA Act?
 - IV. What relief?

Issue - I:

11. Sri P. Vivek, Counsel for the appellant would contend that the government of Andhra Pradesh envisaged a Scheme called “Jagananna Smart Township” Project (for brevity herein after called as ‘the Project’) is intended to benefit the middle-income group people. The project is envisaged by formulating a scheme through G.O.Ms.No.76, MA & UD (M) Department, dated 28-07-2021.

12. The Government of Andhra Pradesh, Municipal Administration and Urban Development Department vide Memo No.15996971/M2/2021, dated 28-11-2021, permitted the 1st Respondent, the Vice Chairman, EUDA to take up development of MIG layout in the land extent acres 36.41 cents situated in survey Nos.2/1, 3/1, 4/1, 4/2, 16/2, 19/1, 19/2, 20, 21, 22/2, 29/2, 30/1, 31 and 32 situated at Sanivarapupeta, Eluru. The Tahsildar, Eluru vide proceedings Roc.No.546/2020/SA, dated 22-12-2021 had handed over advance possession of the Project land to the 1st respondent/ the EUDA. The EUDA had obtained technical layout approval of the project vide TLP No.02/2022/MIG/R, dated 07-01-2022 issued by the Director of Town and Country Planning, Andhra Pradesh.
13. The 1st respondent/ the EUDA has taken up the Project as per the guidelines issued in G.O.Ms.No.76, dated 28-07-2021, by the government of Andhra Pradesh. The 1st Respondent/the EUDA had got registered the project under the provisions of the Section 5 of the RERA Act and filed statutory declaration as required under the provisions of sub-section 4(2)(i)(e) of the RERA Act and Rule 3-B(2) of the Rules, 2017. In the declaration and sale agreement, the Vice Chairman, the EUDA claimed that he is the absolute owner and possessor of the land. For the completion of the project the time-line is mentioned in the declaration and also in the Sale Deed as 12

months. Based on the documents uploaded in the registration website of the RERA Authority and representation of the government and invitation and advertisement of the 1st Respondent/EUDA for allotment of the plot, the appellant submitted application for allotment of the plot. The 1st Respondent/the EUDA had taken up the development of the Project as per the approved layout plan and had taken up the allotment of plots through online lottery system as per the guidelines issued in G.O.Ms.No.12, dated 10-02-2022 and allotted plots to the eligible applicants who paid an initial 10% of the total plot cost and entered into an agreement and the allottee must pay the 30% of the total cost or the full amount by availing 5% of rebate.

14. The appellant paid the total plot cost by availing the 5% rebate. As per the clauses of the sale agreement, dated 12-01-2022, executed between the Vice Chairman, EUDA and Sri Upadrasta Venkata Lakshmi Narasimha Murthy, Allottee/appellant and as per the statutory declaration for non-completion of the project and registration of the allotted plot in favor of the appellant/allottee within the stipulated time, the appellant/allottee is entitled for payment of 11% interest as per provisions of the RERA Act and the Rules, 2017, for every month of delay till the registration of the plot in favour of the allottee by handing over of the plot.

15. Admittedly the project is not completed as per the time-line specified in the statutory declaration made along with the application for registration of the project before the RERA Authority and sale agreement, for which the petitioner is entitled for payment of interest @ 11% P.A. (i.e., MCLR 9% + 2%), for delayed execution of the sale deed, calculated from the date of deposit of amount till the date of realization as per the clause 7.6 of the agreement. The appellant is interested in continuing with the project. He never claimed return of amount paid towards sale consideration of the plot with interest. The RERA Authority on perusal of facts and law, erroneously held that the 1st respondent/the EUDA had no valid title to the property. Hence, the question of directing respondent to execute a registered sale deed in favour of the Complainant does not arise. The RERA authority by laconic order disposed of the complaint in utter disregard to the provisions of the RERA Act and the rules made thereunder.

16. The 1st respondent having made representations stating that the project is envisaged by the government of Andhra Pradesh through the G.O.Ms.No.76, MA & UD (M) Department, dated 28-07-2021 and the project is entrusted to the 1st Respondent/the EUDA. The 1st respondent obtained permissions and executed the project as per the guidelines issued in G.O.Ms.No.76, MA & UD (M) Department, dated

28-07-2021. The 1st respondent/the EUDA could not go back from the Project.

17. As per the statutory declaration, the promoter has to execute the conveyance deed in favour of the allottee within the prescribed period. The 1st respondent/the EUDA, the promoter having advertised, allotted plot as per the guidelines issued in G.O.Ms.No.12, dated 10-02-2022 and received total sale consideration, later he cannot go back from his own declaration stating that the project land is not alienated in favour of 1st respondent. As per the provisions of Section 17 of RERA Act, the 1st and 3rd respondents are under statutory obligation to execute a registered sale deed in favour of the appellant/allottee and he shall be put in possession of the plot.
18. Further, none appeared for the 1st and 2nd Respondents, and made their submissions opposing the claim of the appellant. Even Sri R.K. Acharulu, Standing Counsel for EUDA having filed Vakalat and counter in the appeal, not made his arguments before this Tribunal in spite of long adjournments. The 3rd respondent, the Principal Secretary to Government of Andhra Pradesh, Municipal Administration & Urban Development Department has not made his appearance and filed any Counter. However, the 1st respondent filed written submissions before this Tribunal on similar lines to that of

the counter filed before the RERA Authority stating that the 80% of the project work is completed. Due to pendency of the land alienation proceedings before the government, the registered sale deed in favour of the appellant/allottee couldn't be completed.

19. In these circumstances, this Tribunal constrained to appoint a commission and appointed Sri P. Venkata Sai Reddy, Chartered Accountant as a Commissioner. The Commissioner visited the EUDA premises and the project. He conducted the enquiry.

(i) The Commissioner had submitted a detailed report giving reasons for non-execution of the project stating that the 1st respondent/the EUDA is a Statutory Authority established by the government of Andhra Pradesh under the Andhra Pradesh Metropolitan Region and Urban Development Authorities Act, 2016 (Act No.5 of 2016) (for brevity herein after called as 'the APMRUDA Act).

(ii) The Government of Andhra Pradesh exercising the powers under Section 3 and 4 of the APMRUDA Act, issued G.O.Ms.No.1, MA & UD (H) Department, dated 01-01-2019, constituting the EUDA with headquarters at Eluru and notifying its initial jurisdiction and headquarters at Eluru. Subsequently, the EUDA jurisdiction was expanded and

modified from time to time by the Government of Andhra Pradesh in exercise of its powers under Section 3(3) of the APMRUDA Act through Government orders. As per the provisions of the section 4 and 5 of the APMRUDA Act, the EUDA is vested with statutory powers relating to urban planning, development and implementation powers.

- (iii) Accordingly, the 'Jagananna Smart Township' Project is entrusted to the EUDA Authority. The Project land was handed over through the District Collector and Tahsildar proceedings with 'advance possession' pending alienation. The physical possession of the land was handed over and 80% of the project has been completed. Legal status of land remains provisional, which has a direct bearing on registration of sale deeds. The EUDA has not paid sale consideration to the government for the project land and alienation is pending. The possession is only administrative in nature and does not create ownership rights. The land is 'government poramboku' land and the ownership continue to vest with the State Government. The project land is free from private encumbrances. The land is not yet transferred/alienated to EUDA as per the G.O.Ms.No.494, Revenue (Lands-III) Department, dated 15-12-2025.

- (iv) The price fixed for alienation of land as per Government Order is Rs.36.41 crores. The project is registered with the RERA Authority vide Registration No.PO5230032208, dated 09-01-2022 in accordance with the provisions of Section 4 of the RERA Act. Layout permission for the project was accorded by the Director of Town and Country Planning, Andhra Pradesh, vide TLP No.9/2023, dated 25-05-2023. Further the change of land use (CLU) from agriculture to residential for the subject site was approved by the government vide G.O.Ms.No.75, MA & UD Department, dated 06-06-2023.
- (v) The project is being developed by the EUDA as a planned MIG residential layout in accordance with the guidelines issued in G.O.Ms.No.76, MA & UD (M) Department, dated 28-07-2021. Development works are being executed through a contractual agency, pursuant to an agreement concluded on 09-09-2022 for providing comprehensive infrastructure facilities. The infrastructure development and expenditure are incurred in conjunction of Public Health and Municipality Engineering Departments of Government of Andhra Pradesh. The scope for development includes the provision of basic infrastructure such as internal roads, drains, water supply system with construction of an overhead tank, underground drainage

system (UGD System), external electrification, construction of a 15 MLD Sewage Treatment Plant (STP), and development of footpaths and paver blocks. As on date, about 80% of layout works have been completed including compound walls, C.C. roads, drains, water supply works, overhead tank, and UGD system. The remaining works, comprising external electrification and road divider works, are in progress.

- (vi) The basic infrastructure development cost is estimated at Rs.18.20 crores and other development cost is Rs.5.9 crores as per estimates provided by SE(PH), Rajamahendravaram and administrative sanction was obtained from the EUDA. The payments was released to an extent of Rs.12.17 crores in nine (9) parts. The project was initially designed to be financially viable with an estimated cost of Rs.70 crores and projected revenue of Rs.71.51 crores, resulting in marginal surplus based on the original assumptions. However, the revised figures subsequently indicated by the ELUDA - Revenue of Rs.44.76 crores and infrastructure cost Rs.29.10 crores are not supported by detailed calculations or documentary evidence. Further, if the land cost is required to be proposed at Rs.36.41 crores in accordance with the G.O.Ms.No.494, the total project cost would raise to Rs.65.61 crores. When compared to the

projected revenue of Rs.44.76 crores, this would result in a deficit of Rs.20.75 crores. Therefore, the financial sustainability of the project depends primarily on the final land alienation cost and the accuracy of the revised revenue estimates. The land on which the project is developed still legally belongs to the Government and has not yet been finally transferred to the EUDA. Due to pendency of the land alienation proposals with the 3rd respondent/the Government of Andhra Pradesh, the 1st respondent/the EUDA could not register the plots to the Allottees.

20. The Parliament have enacted an Act called the Real Estate (Regulation and Development) Act, 2016. 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 and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto. It is a beneficial legislation to the home buyers. Hence, the provisions of the RERA

Act need to be interpreted to achieve the aims and objectives of the legislature.

21. We have considered the facts and circumstances of the case and perused the record and considered the submissions of the counsel. The Government of Andhra Pradesh formulated a housing scheme to develop well planned MIG Layouts/Jagananna smart Townships in the area of development authorities through G.O.MS.No.76, MA & UD (M) department, dated 28-07-2021, with an abode object of providing well developed residential plots in towns by ensuring availability and clear title residential plots at affordable prices and to protecting the gullible purchasers of plots in unapproved layouts and to prevent haphazard growth of towns and cities, leading to legal disputes, traffic problems, lack of lung space, physical and social infrastructure etc. In the said G.O. comprehensive guidelines were issued for developing well planned MIG layouts / Jagananna Smart Townships by the development authorities in the state. The District Collectors in the State are authorized to handed over advance possession of suitable and vacant Government land to MA & UD Department directly subject to pending regular alienation. For which the State Level Committee constituted consisting of:

Secretary to Govt., MA & UD
Special Officer, MIG Project
Managing Director, APRSCL

- Chairman
- Vice Chairman
- Member

DTCP, AP	-	Member Convenor
E-in-C(PH)	-	Member
Joint Collector, (R&B) concerned	-	Member
VC/MC of the concerned UDAs/MRDAS	-	Member

22. The State Level Committee shall scrutinize the proposals sent by the concerned Development Authority/District Administration and give clearance for suitability and shall submit to the Government for issuance of orders along with requisite clearances and recommendations. The State Level Committee shall also carry out any other work entrusted to it by the Government from time to time under the MIG Project, including scrutiny of Project Proposals, to steer and materialize the deliverables in a time-bound manner.

23. The Committee has to undertake identification of lands and clearance for land proposals and fixation of sale price of plot. The location of the site proposed for MIG layouts shall have demand for house sites. The development authorities shall submit the proposals for clearance of State Level Committee for identification of the land. In case of Government lands which were identified, the District Collectors shall take necessary action in accordance with the provisions of the APMRUDA Act. Advance possession shall be handed over to the Metropolitan Commissioner of the MRDAs/VCs, Urban Development Authority (UDA) concerned. The regular alienation proposals have to be sent by the District Collector to the

Chief Commissioner of Land Administration to place before the A.P. Land Management Authority (APLMA) for issuance of alienation orders with a copy marked to the State Level Committee for necessary clearances. Upon receiving necessary approvals, the MRDAs/UDAs concerned shall file the requisition and District Collector shall initiate the necessary action through the provisions of the APMRUDA Act, 2016 (Act 5 of 2016) and the LARR Act, 2013, as amended by the Act 22 of 2018 and the rules made thereunder. The State Level Committee shall issue suitability clearance in regard to the fitness of land for MIG layouts for all kinds of lands identified and proposed. In the G.O., preparation of layout, preparation of estimates, fixation of sale price of plots by the State Level Committee and eligibility criteria for allotment of plots. Submission of applications and allotment, process, payment by allottee is also dealt with. The guidelines were also framed in the said G.O., for implementation of the project. The project has to be registered with the RERA Authority. The development authorities shall open a separate Escrow Account for each of the project registered with the RERA Authority. The development authority shall follow the RERA norms during course of execution of project including establishing grievance redressal mechanism. The development shall be completed within 12 months from the date of agreement. The Government reserves the right to alter timelines for completion of

project in case of any unforeseen exigencies. Upon receipt of entire sale price of plot, the plot shall be registered in favour of the concerned allottee immediately by the Development Authority concerned. In case of allottee who have paid the entire sale price within one month by availing the 5% rebate facility, the registration of the plot has to be done preferentially. The registration costs shall be borne by the allottee.

24. Having collected crores of Rupees from allottees, neither the 1st Respondent EUDA nor the 3rd Respondent, the Principal Secretary, MA & UD department has evinced any interest in getting the land alienation proceedings finalized by the Government in favour of the 1st Respondent EUDA, they have abdicated their statutory obligation to enforce the rights accrued to the allottees in particular to the appellant / allottee, which amounts to dereliction of duties and which is illegal. This attitude of the Respondents needs to be deprecated.
25. The Government of Andhra Pradesh, MA & UD Department has entrusted the MIG layout / Jagananna Smart Townships to the 1st Respondent, the Vice-Chairman, Eluru Urban Development Authority vide Memo No.1599697/M2/2021, dated 28-11-2021 to take up the development of MIG layout as per the guidelines issued by Government of A.P., under G.O.Ms.No.76, dated 28-07-2021. The

District Collector, West Godavari, Eluru, vide Proceedings Roc.No.e-1801887/2020/E4, dated 22-12-2021, allotted land extent acres 35.20 cents in RS.No.2/1, 3/1 etc., situated in Sanivarapupeta Village, Eluru Mandal, Eluru district in favour of 1st Respondent for Development of MIG layouts. In turn the Tahsildar Eluru vide proceedings Roc.No.546/2020/SA, dated 22-12-2021, handed over the advance possession of the land extent of 35.20 cts. extent Ac.0.12cts situated in R.S.No.2/1, Ac.0.34cts in R.S.No.3/1, Ac.3.90cts in R.S.No.4/1, Ac.0.45cts in R.S.No.4/2, Ac.2.02cts in R.S.No.19/1, Ac.4.51cts in R.S.No.20, Ac.4.48cts in R.S.No.21, Ac.4.47cts in R.S.No.22/2, Ac.6.12cts in R.S.No.16/2, Ac.2.02cts in R.S.No.19/2, Ac.1.75cts in R.S.No.29/2., Ac.1.65cts in R.S.No.30/1, Ac.1.2cts in R.S.No.31 & Ac.2.16cts in R.S.No.32 of Sanivarapupeta village of Eluru Mandal.

26. However, the 1st Respondent had taken possession of the land on 07-01-2022. The Director of Town and Country Planning, Andhra Pradesh sanctioned technical approval of the layout vide TLP.No.02/2022/MIG/R, dated 07-01-2022, accordingly the land was localized and prepared the plan and divided the land into 383 housing plots as per sanctioned plan. The 1st respondent/the EUDA, represented by the Vice Chairperson and Managing Director had submitted application for registration of the project under

Section 4 of RERA Act. Along with the application, he filed the following documents such as

- a) Advance Possession Handed Over Certificate dated:22-12-2021 issued by the Tahsildar, Eluru Mandal, handing over possession to the Vice-Chairman & Managing Director, Eluru Urban Development Authority (EUDA), Eluru.
- b) Letter issued by the Director of Town and Country Planning addressed to the 1st Respondent along with Technical Layout Plan No.2/22/MIG/R dated:07-01-2022.
- c) Statement of ownership particulars of the layout extent submitted by Eluru Urban Development Authority for the proposed MIG layout site to an extent of 35 Acres 20 Cents, situated in R.S.No.2/1, 3/1, 4/1, 4/2, 16/2, 19/1, 19/2, 20, 21, 22/2, 29/2, 30/1, 31 and 32 of Sanivarapupeta Village, Eluru Mandal in Form-P20.
- d) Combined Field Measurement Book (FMB) of alienated land for the MIG Layout in Sy.No.2/1, 3/1, 4/1, 4/2, 16/2, 19/1, 19/2, 20, 21, 22/2, 29/2, 30/1, 31 and 32 of Sanivarapupeta Village, Eluru Mandal, pertaining to Eluru Urban Development Authority, West Godavari District.

- e) No-Litigation Certificate issued by the Vice-Chairman, Eluru Urban Development Authority, Sri B. Chandrasekhar, being the authorized person on behalf of the promoter, namely Eluru Urban Development Authority, for the project "Jagananna Smart Township".
- f) Topographical plan of the proposed project.
- g) Estimated cost of the project letter (not signed by the promoter).
- h) Source of funds letter (not signed by the promoter).
- i) Aadhaar Card of the Authorized Signatory.
- j) Photocopy of PAN Card of the Authorized Signatory.
- k) Bank account details of Eluru Urban Development Authority maintained with HDFC Bank, Eluru.
- l) Photograph of then Authorized Signatory.
- m) Copy of the online application.

Particularly, the authentication certificate as required U/s.4(2)(A) of the RERA Act, issued by the competent Advocate is not filed.

27. Based on the application, the project has been registered by the RERA Authority under Section 5 of the Registration Act vide Registration No.P05230032208, dated 09-01-2022. The Registration had been done by the then In-charge Chairperson of the RERA Authority and the Special Chief Secretary to Government, MA & UD Department, Ms. Y. Srilakshmi, IAS, who was in FAC of Chairperson of AP RERA. The registration of the project is valid from 09-01-2022 to 06-01-2023. That the project has to be completed within 12 months as per the project completion timelines stated in the G.O.Ms.No.76, MA & UD (M) Department, dated 28-07-2021, and as per the Sale Agreement. As per the provisions of Section 4(2)(l)(C) of the RERA Act, every promoter must declare the time period within which the project will be completed. This declaration forms the basis upon which purchasers invest. Once accepted by the RERA Authority, the promoter is legally bound by the declared execution schedule of the project unless extension is obtained under the provisions of Section 6 of the RERA Act. Therefore, the declaration is not merely informer, but creates a statutory obligation on the promoter to complete the project as per the Sale Agreement and the provisions of the RERA Act. Under the provisions of Section 17 of the RERA Act, the promoter shall execute a Registered Convenience deed in favour of the allottees within the specified time. A perusal of the record pertaining to the Registration of the project by the RERA

Authority vide Registration No.P05230032808, dated 09-01-2022. The promoter has not filed complete required documents. Even Memorandum of declaration is not in the prescribed form. A modified single page declaration in the shape of Affidavit is filed by Sri D. Chandra Shekher, Vice Chairman, EUDA. The declaration is bereft of any detailed information required in the proforma and declaration form. But a perusal of the Sale Agreement, dated 21-01-2023 executed by him clearly states that he is the absolute owner and possessor of the land on which the project is taken up. This binds the promoter that he is the owner of the project land. The RERA Authority registered the project without full details of the project as required under the provisions of RERA Act and the Rules made thereunder. Even though the project is a Government project, public interest is involved, the RERA Authority dealt with the project in a causal manner without adhering to the provisions of RERA Act and Rules made thereunder, registered the project, contrary to the provisions of Section 4 of the RERA Act and the Rules 3A(1) and 3(2), 3B(2)(n) of the RERA Rules. The Officers and employees of the RERA Authority are responsible for these misdeeds and they are liable for penal action under the provisions of the RERA Act. After lapse of the registration of the project, the RERA Authority has not initiated any action under the provisions of Section 8 of the RERA Act, for the benefit of the allottees of the plots. The RERA Authority abdicated

its statutory duties entrusted under the provisions of the RERA Act and the Rules made thereunder.

28. When the Promoter failed to get the execution of the project or allowed the registration of the project to lapse and the Authority revoked the registration of the project granted under the provisions of the Section 5 of the RERA Act in exercise of powers granted under provisions of the Section 7 of the RERA Act. The RERA Authority is under the statutory obligation, under the provisions of the Section 8 of the RERA Act to take appropriate action to protect the interest of the allottees or in public interest by issuing required directions. It is apt to extract the provisions of Section 8 of the RERA Act which reads thus:

- 8. Obligation of Authority Consequent upon lapse of or on revocation of registration** – Upon lapse of the registration or on revocation of the registration under this Act, the Authority, may consult the appropriate Government to take such action as it may deem fit including the carrying out of the remaining development works by competent authority or by the association of allottees or in any other manner, as may be determined by the Authority:

Provided that no direction, decision or order of the Authority under this section shall take effect until the expiry of the period of appeal provided under the provisions of this Act:

Provided further that in case of revocation of registration of a project under this Act, the association of allottees shall have the first right of refusal for carrying out of the remaining development works.

The provisions of the Section 8 of the RERA Act state that upon lapse of registration or on its revocation, the RERA Authority, may consult the appropriate Government to take such action as it may deem fit including the carrying out of the remaining development works by competent authority or by the association of allottees or in any other manner, as determined by the Authority which is beneficial to the allottees.

29. The 1st Respondent/the EUDA Authority issued a notice in Sakshi Newspaper on 11-01-2022 inviting applications for allotment of MIG plots in the project from 11-01-2022 to 10-02-2022. The 1st Respondent/the EUDA had received 458 applications along with 10% value of the sale price of the plot through RTGS/NEFT, in respect of 3 categories of plots i.e., Plot size 150 Sq. Yards received Rs.13.05 lakhs, in respect of 200 Sq. Yards size plots received Rs.18.00 lakhs, in respect of 240 Sq. Yards plot size received 21.60 lakhs. Out of which 74 persons/allottees were selected by conduct of online drawl of applications and plots were allotted in favour of them. As per the G.O.Ms.No.76, MA & UD (M) Department, dated 28-07-2021, the guidelines were issued and the guideline No.303 deals with the mode of payment by the allottee, after concluding the agreement, the allottee shall pay the installment as per the schedule (balance remaining after initial 10%) within the specified period. The

total amount of Rs.6.14 crores received and the said amount is deposited in the 1st respondent/the EUDA account maintained in ICICI Bank, Eluru Branch with SB/RD Account No.63130/025281, in the name of the Vice Chairman, Eluru Urban Development Authority, Kandrikagudem, Eluru, Andhra Pradesh. The 1st Respondent/the EUDA had handed over the site to the Engineering Department of Public Health under the control of the Municipal Administration, Eluru, vide Proceedings ROC.No.515, dated 21-07-2023. The Engineering Department as per the sanctioned plan localized/divided the land into 383 plots. The 1st Respondent/the EUDA had allotted plots to only 74 persons/allottees and remaining plots are kept for sale. The 1st Respondent, Vice Chairman, EUDA, Eluru, in its written submissions stated that he had spent Rs.6.14 crores, in addition, it had invested its' own funds of Rs.12.14 crores for the project. The project requires additional funds of 12 crores for completion of the project and the same was informed to Government and to the concerned Minister. As the Government and Legislator request for completion of the project by procuring the funds from the public by way of conducting sale of remaining 309 plots. The 80% of the project is completed. For 100% completion of the project, the additional funds of 12 crores are required. The 80% of the project is completed as on May, 2025 as per written submissions filed by Sri

Abhishek Gouda, M.J, I.A.S., the Vice-Chairman of EUDA. As per the brief counter filed by Smt. P. Dhatri Reddy, I.A.S., the Vice Chairman (FAC), EUDA, before the Authority, states that the MIG Smart Township project is Non-Profit initiative focusing on the well-being of the Middle-income group. This respondent Authority has completed 80% of the infrastructure development including:

- *Compound wall around the layout.
- *Entrance arch including security cabin.
- *C.C. Roads, drains and culverts.
- *Laying of Water supply lines.
- *Construction of Over-head tank.
- *Under Ground Drainage (UGD) and Manholes.

30. The remaining 20% of the work primarily includes external electrification and road dividers. This respondent authority has acted in good faith, demonstrating its commitment in completing the infrastructure and registering the plots, once alienation process is completed by the Government.

31. She further states that due to change of Government after Assembly elections new Government was formed on June,2024. The real time of the project fixed from 21-07-2024 to 20-07-2025. 10% of the price of the plot was received on allotment on 10-01-2025. The due date of payment of 30% of the sale proceeds was February, 2022, but the appellant/complainant paid voluntarily 100% on 15-02-2023. The financial approval of the earlier Government to the project was not

done within time. The present Government again reviewed the programmatic structure of the earlier Government with regard to 'Pedalandariki Illu Programme'. As the change of the policies of the two Governments, the reason behind reviewing the programme and the reason behind the Chief Commissioner of Land Administration not given competency for rejection of the sites with regard to the allottees. The 1st Respondent/the EUDA has taken the plea in the written submissions at paragraphs No.8 and 9. It is appropriate to extract the same hereunder:

"8. *I humbly submit that the legislature acts for the projects with regard to the people welfare of one section for its completion in the hands of the Government and its direction to the authorities and not in the hands of 1st respondent and 1st respondent is follower of the Government policies and its specifications. The GOMs No.76 itself categorically mentioned providing housing plots for weaker sections irrespective of business flavour. Therefore these are things happened force majeure.*

9. *I humbly submit that as the circumstances of the title clearance was under pending before CCLA and as was not passed any directions with regard to the registration and so also there is no fund granted and released by the State Government as we are genuinely disrupted completion of the project up to 80% providing completing drainage, roads, water head tank and pipelines for water supply for each and every plot, compound wall, electrification and connectivity to the NH road. As the events are beyond the control of the 1st respondent promoter and the happening events are known to the allottees from time to time and they visit the plots physically and satisfied them as the delay was not in the hands of the 1st respondent."*

32. She further states that in any welfare programme of the Government is a direct in nature not mandatory in nature and therefore

appellant/complainant is not entitled for seeking damages and other exemplary costs claimed, so as to treat as a private Real Estate Organization and the RERA Authority failed to notice all these points and outrightly (outrightly) ignored the principles of 'Force Majeure' was silent in counter of 1st Respondent is misconceived observations of the Hon'ble RERA Tribunal. The complainant comes to the court with unclean hands as it is found proved positive by reading an appeal grounds and finally prays to dismiss the appeal, the plea is found to be wholly untenable, devoid of any merits and contrary to the provisions of the RERA Act and the Rules made thereunder.

33. The statutory duties cast on the Promoter under the provisions of the Section 11(4) of the RERA Act and as per the Agreement of Sale and Memorandum of Declaration filed along with the application for registration of real estate project under Section 4 of the RERA Act, the Promoter shall execute a registered Conveyance Deed in favour of the allottee under Section 17(1) of the RERA Act. The provisions of the Section 17(1) of the RERA Act read thus:

17. Transfer of title –

- (1) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the

case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

- (2) After obtaining the [completion] certificate and handing over physical possession to the allottees in terms of sub-section (1), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws:

Provided that, in the absence of any local law, the promoter shall handover the necessary documents and plans, including common areas, the association of the allottees or the competent authority, as the case may be, within thirty days after obtaining the occupancy certificate.

The above provision states that the promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas in the real estate project and handover the other title documents pertaining thereto within specified period as per law. In the absence of any local law, the promoter shall handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, within thirty days after obtaining the occupancy certificate.

34. Accordingly, the **Issue - I** is answered negatively and held that the 1st Respondent/the EUDA is under statutory obligation under the provisions of Section 17 of the RERA Act, to register the plot in favour of the appellant/allottee.

Issues – II & III:

35. To avoid repetition of facts and law, both the Issues II and III are taken up together for consideration.
36. Once, the Jagananna Smart Township (MIG) layout was registered under the provisions of Section 5 of the RERA Act r/w Rule 6A(3) of the Rules, 2017, the 1st respondent/the EUDA, the Promoter (including land owner/the 3rd respondent) is under statutory obligation, under the provisions of Section 11 of the RERA Act. Some of the main functions of the Promoter are to get the sanctioned plan approved by the Competent Authority and stage-wise schedule of completion of the project including the provisions of civic infrastructure like water, sanitation and electricity, the details of the registered project including registration number were made available to the public by displaying in his webpage on the website of the RERA Authority. The Promoter shall be responsible for all obligations, responsibilities and functions under the provisions of Section 11, 12 and 14 of the RERA Act and the Rules and Regulations made

thereunder, to the allottees as per the sale agreement, or to the Association of Allottees, as the case may be, till the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees or the competent authority, as the case may be. He is responsible to obtain the completion certificate or the occupancy certificate from the competent authority and make available to the allottees individually or to the association of allottees.

37. As per the provisions of Section 14 of the RERA Act, the project shall be developed and completed by the Promoter in accordance with the sanctioned plans, layout plans and specifications as approved by the competent authorities within the period of completion stated in the Promoter's declaration-cum-Affidavit and Sale Agreement within the extended time by the RERA Authority excluding the Force Majeure period. As per the provisions of Section 17 of the RERA Act, the Promoter has to execute the registered conveyance deed and transfer of title within the prescribed completion period. Every promoter has to complete the project within the time period as per memorandum of declaration filed under the provisions of Section 4(2)(l)(C) of the RERA Act. If the Promoter fails to complete the project within the stipulated time period or completion of the project in accordance with the terms and conditions of the sale agreement, the allottees are entitled to seek interest for the delayed period of completion. The

delay beyond the declared completion period amounts to breach of statutory obligations by the Promoter, and cannot indefinitely be postponed completion of the project, because of pending governmental procedures after accepting the money from the purchasers. Whereas, the promoter has not sought for any extension of time for completion under the provisions of Section 6 of the RERA Act. If no extension was sought and accorded under the provisions of Section 6 of the RERA Act, the Promoter cannot claim the benefit of additional time as a matter of right. The provision of Section 6 of the RERA Act permits extension of time only in limited circumstances such as Force Majeure. In the absence of extension of time, the original declared completion date continues to bind the Promoter and the statutory liabilities under the provisions of Section 11 and 18 remains enforceable. Failure to complete the project within the declared period constitutes violation of provisions of Section 14 of the RERA Act. Failure to seek extension of time under the provisions of Section 6, the Promoter cannot automatically claim additional time, in view of the above provision of law.

38. The plea of the 1st respondent/EUDA that the project fully could not be completed and registered plot in favor of the appellant/allottee is due to pendency of the land alienation by the 3rd respondent. Only 80% of the project was completed and remaining 20% of works are

pending for completion. The plea of the 1st respondent that, the occurrence of delay in execution of the project due to pendency of the land alienation by the 3rd Respondent comes within the Force Majeure event is un-sustainable under law. Further plea of the 1st respondent when there is no contractual liability does not justify the compensation and interest under clause 7.6 of the sale agreement, the 1st respondent Authority in good faith is willing to refund the amount paid by the appellant, without interest to the appellant, if the appellant wishes to withdraw from the project is contrary to the provisions of the Section 18 of RERA Act and Rules made thereunder. In fact, the Clause 7.6 of the sale agreement specifically states that, if the allottee does not intend to withdraw from the project, the promoter shall pay to allottee interest at the rate specified in the RERA Rules, 2017, for every month of delay, till the handing over of the physical possession of the plot through registered sale deed. The RERA Authority in the order under Appeal, rightly held that, the Force Majeure Clause did not apply to the delay in alienation of land due to administrative inaction which does not fall within the scope of Force Majeure. The other pleas taken in paragraphs No.8, 9 & 10 of the written submissions made by the 1st respondent are unsustainable under law and devoid of any merits. Further plea of the 1st Respondent that the provisions of G.O.Ms.No.76, categorically mentioned providing housing plots for weaker sections irrespective

of business favour and the title clearance has been pending before CCLA and not passed any directions with regard to the registration and there is no fund granted and released by the Government are beyond the control of 1st respondent, same could not be countenanced. The plea of the 1st Respondent, in any welfare programs of Government is directive in nature and not mandatory in nature and therefore, the appellant is not entitled to seek any damages and other exemplary costs and treating it as a private real estate project and the 1st respondent authority has no commercial motive in the project are wholly unsustainable in law.

39. Further, if the promoter fails to complete or is unable to give possession of the apartment, plot or buildings, he shall return the amount with interest applicable under Andhra Pradesh Real Estate (Regulation and Development) Rules, 2017 and pay compensation under the provisions of Section 18 of the RERA Act. The provisions of the Section 18 of RERA Act read thus:

18. Return of amount and compensation -

- (1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building, -
- (a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

- (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,

he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

- (2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.
- (3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules and regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.

The above provision states that if the Promoter fails to complete the project or is unable to give possession of the plot, home buyers shall be entitled to get refund of the amount deposited with applicable interest as per the provisions of the Andhra Pradesh Real Estate (Regulation and Development) Rules, 2017, if the home buyers/allottees are not interested to withdraw from the project, he shall be paid interest for every month of delay from the date of

application till handing over of the possession of the land. The promoter shall also compensate the allottee in case of the loss caused to him due to the defective title of the land on which the project is developed.

The Hon'ble Supreme Court of India in the case of M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP & Others in Civil Appeal Nos. 6745-6749 of 2021 interpreted the provisions of Section 18 of the RERA Act in **Imperia Structures Ltd. Vs. Anil Patni and Another** held thus:

78. This Court while interpreting Section 18 of the Act, in **Imperia Structures Ltd. Vs. Anil Patni and Another** held that Section 18 confers an unqualified right upon an allottee to get refund of the amount deposited with the promoter and interest at the prescribed rate, if the promoter fails to complete or is unable to give possession of an apartment as per the date specified in the home buyer's agreement in para 25 held as under:-

“25. In terms of Section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment duly completed by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received by him in respect of that apartment if the allottee wishes to withdraw from the Project. Such right of an allottee is specifically made “without prejudice to any other remedy available to him”. **The right so given to the allottee is unqualified** and if availed, the money deposited by the allottee has to be refunded with interest at such rate as may be prescribed. The proviso to Section 18(1) contemplates a situation where the allottee does not intend to withdraw from the Project. In that case he is entitled to and must be paid interest for every month of delay till the handing over of the possession. It is up to the allottee to proceed either under Section 18(1) or under proviso to Section 18(1). The case of Himanshu Giri came under the

latter category. The RERA act thus definitely provides a remedy to an allottee who wishes to withdraw from the Project or claim return on his investment.”

40. The lapse of registration of the project, and not seeking extension of the completion period of the project under the provisions of the Section 6 of the RERA Act, and any inaction of the RERA Authority as per the provisions of the Section 8 of the RERA Act, does not absolve the 1st and 3rd respondents from their statutory obligations to complete the project within the time period stated in the Sale Agreement and declaration-cum-affidavit submitted to the RERA Authority at the time of the registration of the Project. The 1st and 3rd respondents are under statutory obligation under the provisions of Section 17 of the RERA Act to register the developed plot in favour of the appellant/allottee as per the Sale Agreement. In view of the above discussion, the Order under Appeal is unsustainable in law and same is set aside. Accordingly, Issues – II and III are answered negatively.

Issue - IV:

41. The Appellant is entitled for the following relief;
42. Accordingly, the 1st and 3rd respondents are directed to register the developed plot in the project in favour of the appellant/complainant

through Sale Deed within a period of three (3) months from the date of receipt of copy of this order and further directed to pay the applicable interest @ 11% P.A. (i.e., MCLR 9% + 2%) on the amount received from the appellant/allottee for the delayed period as per the provisions of Section 18 of the RERA Act and the Rules made thereunder. The appellant is given liberty to claim compensation under the provisions of Section 71 of the RERA Act.

43. On perusal of the record, we found that the 3rd and 1st respondents' Officers, Sri S. Suresh Kumar, Principal Secretary, MA & UD Department (3rd respondent), Smt. Dhatri Reddy, the then Vice Chairperson, EUDA and Sri Abhishek Gowda M.J., Vice Chairperson and Managing Director, EUDA, have not initiated any appropriate action to get the lands alienated by the Government in favour of the 1st respondent and the records reveals that these Officers have not taken any effective steps for completion of the Project and register the Sale Deeds in favour of the home buyers. They acted in utter disregard to the provisions of the RERA Act and Rules made thereunder.
44. Hence, we are constrained to saddle the costs of Rs.15,000/- (Rupees Fifteen Thousand Only) on 3rd and 1st respondent Officers and the Officers of the respondents No.3 & 1 have to pay Rs.5,000/- (Rupees Five Thousand Only) each one from their personal money, payable to

the appellant/allottee. They are directed to deposit the costs by way of Demand Draft drawn in favour of 'The Registrar, Andhra Pradesh Real Estate Appellate Tribunal, Amaravati', payable to the appellant.

45. Accordingly, the Appeal is Allowed.

46. The 1st and 3rd Respondents are directed to comply the above direction of this Tribunal within a period of three (3) months from the date of receipt of copy of this order and file compliance report before this Tribunal. Otherwise, they are liable for appropriate penal action and consequences under the provisions of the RERA Act and the Rules made thereunder.

NOTE: PART II – 'REASONS FOR THE DELAY IN DISPOSAL OF THE APPEAL' continues.

(Oral Order as per Hon'ble Sri Justice M. Ganga Rao, Chairperson)

Part II – REASONS FOR THE DELAY IN DISPOSAL OF THE APPEAL

(Under Section 44(5) proviso of the Real Estate (Regulation & Development) Act, 2016)

1. The Principal Secretary, Municipal Administration and Urban Development Department, Government of Andhra Pradesh, the concerned Department (3rd respondent herein) has not sanctioned and provided Personal Secretary to the Chairperson and Personal Assistant to the Member (Judicial) for discharge of their functions. Sri Guduru Ramakrishna, Principal District Judge, Retired was selected by the selection committee and appointed as Registrar of the Tribunal on 16-06-2025 and joined his duties on 27-06-2025 F.N. The Tribunal with great difficulty started its functioning from the insufficient premises without court hall.
2. The Appeal No.1 of 2025 is filed in the Registry on 16-07-2025 and numbered on 06-08-2025. Notices were sent to the respondents on 19-08-2025. On service of notice the appellant/party-in-person appeared. Sri M. Venkateswar Rao, Counsel appeared on behalf of Sri P.D.S. Narayana, Counsel for the 1st respondent/EUDA and filed Vakalat and sought time to file counter. No representation for the 2nd respondent in spite of service of notice. On 02-09-2025, we called

for the records from the 2nd respondent Authority, pertaining to the order under Appeal and the records pertaining to the registration of the project of the 1st respondent.

3. On 02-09-2025, Counsel for the respondent No.1 appeared and again sought time for two (2) weeks for filing counter. Sri M. Ranga Prasad, Assistant Director, AP RERA appeared and produced the records pertaining to the order under Appeal and produced some records pertaining to the registration of the project, which were filed without pagination and stitched form and full documents were not filed pertaining to the registration of the project and he sought further time to file full records in proper form. The Appeal was posted on 16-09-2025.
4. On 16-09-2025, Sri P. Vivek, Advocate appeared and states that he was offered Vakalat by the Appellant and sought time for filing the Vakalat along with the Implead Petition in the Registry of the Tribunal for impleadment of 'The State of Andhra Pradesh, Rep. by its Principal Secretary, Department of Municipal Administration and Urban Development, Secretariat Buildings, Velagapudi, Amaravati, Guntur District, Andhra Pradesh'. Sri G.Y.V.S. Bharadwaj, Counsel representing Sri P.D.S. Narayana, Standing Counsel for the 1st respondent/EUDA again sought time for one (1) more week to file counter stating that the Office of the Vice Chairman of the 1st

respondent has fell vacant due to transfer of the Vice Chairman and further stated that no in-charge person has been appointed to the 1st respondent Authority. Sri M. Ranga Prasad, Assistant Director, AP RERA/2nd respondent appeared. But the Authorization is not placed before this Tribunal. Mrs. Naga Sundari, Director being the first Officer of the Authority is supposed to represent the Authority by appearing before this Tribunal. The 2nd respondent Authority has placed records before the Tribunal pertaining to the registration of the 1st respondent Authority. On perusal of the record, the Tribunal, prima facie, found certain discrepancies and violations of the provisions of the Act and Rules made thereunder in registering the 1st respondent Project. Mrs. Naga Sundari, Director of the RERA Authority is directed to file the affidavit giving details of the registration and the procedures followed in registering the 1st respondent project and by whom the registration of 1st respondent was done. The Appeal was posted on 23-09-2025.

5. On 23-09-2025, Sri G.Y.V.S. Bharadwaj, Counsel representing Sri P.D.S. Narayana, Standing Counsel for the 1st respondent/EUDA sought further time of two (2) weeks to file counter stating that the 1st respondent, the Vice Chairman of the EUDA has not been appointed. Mrs. Naga Sundari, Director, AP RERA appeared in person and sought time to file affidavit with regard to the registration of the 1st respondent as directed by the Tribunal on 16-09-2025. In

IA.No.1/2025, the implead petition to implead the proposed 3rd respondent, notices were ordered and posted the Appeal on 07-10-2025.

6. On 07-10-2025, Sri P. Vivek, Counsel for the Appellant made his submissions in IA.No.1/2025. The Counsel for the 1st respondent sought further time to file counter stating that the Vice Chairman has not been appointed and no authorization is given to any other Officer to file counter and sought further time to file counter. His request is acceded to as this Tribunal has given time to 3rd respondent to file counter. Mrs. Naga Sundari, Director, AP RERA appeared in person for the 2nd respondent and stated that the Affidavit is ready and sought permission to file the same before the Court. This Court refused to receive the Affidavit across the Bench and directed to submit the same in the Registry in the proper format duly serving on the other side. The proposed 3rd respondent, the Principal Secretary, Municipal Administration and Urban Development Department, Government of Andhra Pradesh, having received notices in IA.No.1/2025, has not chosen to make his appearance even by engaging an Advocate, instead, the OSD of the Principal Secretary, Municipal Administration and Urban Development Department, Government of Andhra Pradesh sent a letter by way of Memo, dated 06-10-2025, to the Registrar of the

Tribunal, opposing the petition. This attitude of the Principal Secretary, Municipal Administration and Urban Development Department, Government of Andhra Pradesh is highly reprehensible and such practice is deprecated, no one is above law, he has to assist the Court in the manner known to Law. The IA.No.1/2025, impleading 'The Principal Secretary, Department of Municipal Administration and Urban Development, Secretariat Buildings, Velagapudi, Amaravati, Guntur District, Andhra Pradesh' as 3rd respondent is Allowed on 07-10-2025. Notice was issued to the 3rd respondent for filing the counter by the next date of hearing. Posted the Appeal on 14-10-2025.

7. On 14-10-2025, the Counsel for the 1st respondent/EUDA filed a Memo stating that no Officer has been kept as FAC for the 1st respondent and again sought two (2) weeks time to file counter. Mrs. K. Naga Sundari, Director of AP RERA appeared and stated that she filed affidavit on 7/10/2025 as directed by this Tribunal on 16/09/2025. On perusal of the affidavit, reveals that, it was bereft of the required information to adjudicate the issue and not in accordance with this Tribunal's earlier directions. She was directed to file additional detailed affidavit as directed by this tribunal on 16/09/2025, after taking necessary legal advice of the competent Advocate. In spite of earlier proceedings communicated to the 3rd respondent, no one appeared. The 3rd respondent was directed to

file a detailed counter affidavit to enable this tribunal to pass just reasoned order by the date of next hearing. Sri P.V.V. Raghuveer appeared and orally stated that he is working as Assistant Legal Officer in AP RERA, appearing before this Tribunal on behalf of the RERA Authority and to file affidavits. He explained the procedure without filing any affidavit or documents and sought time to file appropriate petition along with connected documents, and to file educational qualifications and eligibility to show his competency to assist the tribunal as required under the provisions of Section 56 of the Real Estate (Regulation and Development) Act, 2016 and rules and regulations made thereunder and posted the Appeal on 04-11-2025.

8. On 04-11-2025, Sri M. Venkateswara Rao, Counsel appearing for Sri P.D.S. Narayana, Counsel for the 1st respondent stated that Counter Affidavit was filed in the Registry on 03-11-2025. Instead of filing a detailed counter affidavit as directed by this Tribunal on 14-10-2025, a laconic counter affidavit without reference to any covenants of the sale agreement dated 21-01-2023 and provisions of the Real Estate (Regulation & Development) Act, 2016 and Rules made there under. Sri P.B.V. Koteswara Rao, Counsel appeared and stated that he has been appointed as Standing Counsel for the 2nd respondent/AP RERA to appear before this Tribunal. No one appeared for the 3rd respondent. This Tribunal was constrained to

issue Summons to the 3rd respondent, Sri S. Suresh Kumar, Principal Secretary to Government, MA & UD Department to appear and explain to this Tribunal, why he has not inclined to file a detailed counter affidavit along with the documents and to assist the court to dispose of the Appeal in its proper perspective and reasoning as per law and posted the Appeal on 18-11-2025.

9. On 18-11-2025, Sri P.D.S. Narayana, Counsel for the 1st respondent appeared and stated that Additional Reply Affidavit is filed (instead of detailed Counter Affidavit) and further stated that he filed a Memo seeking dispense with the appearance along with the records stating that the 1st respondent is pre-occupied with the District Development Co-ordination and Monitoring Committee scheduled to be held on 18-11-2025. Sri Polisetty Bala Venkata Koteswara Rao, Standing Counsel for AP RERA appeared and sought further time to file detailed Affidavit and records. In spite of receiving Summons by the 3rd respondent, he neither appeared in person nor made his appearance through Counsel. We have construed that the 3rd respondent is not inclined to assist the court by filing detailed Counter Affidavit by engaging Counsel and posted the Appeal on 02-12-2025.
10. On 02-12-2025, Sri R.K. Acharya (Sri R.N.V.S.K. Acharulu), Counsel stated that he has been appointed as the Standing Counsel for the

1st respondent/EUDA and stated that the Vice-Chairman of the 1st respondent was pre-occupied with the official program on 2nd December, 2025 and could not make his appearance before this Tribunal, to that effect, he filed a Memo and sought time to file detailed Counter Affidavit. On Memo, the 1st respondent's presence is dispensed with. He was directed to appear in person on 16-12-2025 at 10.30 A.M. without fail. Sri Polisetty Bala Venkata Koteswara Rao, Standing Counsel for AP RERA appeared and sought further time to file detailed Affidavit by the Competent Authority i.e., the Director of the Real Estate Regulatory Authority stating that the AP RERA Office is shifted to CRDA Buildings, Amaravati, files are misplaced. No representation for the 3rd respondent. Posted the Appeal on 16-12-2025.

11. On 16-12-2025, Sri R.K. Acharulu (Sri R.N.V.S.K. Acharulu), Standing Counsel for 1st respondent/EUDA appeared and stated that today only he received the Memorandum of Additional grounds in the open court and sought time to file Counter Affidavit. He further stated that, he filed a Memo to dispense with the personal appearance of the 1st respondent, stating that the 1st respondent was unable to attend before this Tribunal as she was officially engaged with a programme "Mega 22A Grievances Day" on 16.12.2025 in the District Collectorate, Eluru District. He further stated that the 1st

respondent will appear before this Tribunal on 23-12-2025. Considering the Memo filed to dispense with the personal appearance of the 1st respondent and oral submissions, personal appearance of the 1st respondent was dispensed with on 16-12-2025 and directed him to appear in person before this Tribunal on 23-12-2025 at 10.30 A.M. Sri Polisetty Bala Venkata Koteswara Rao, Standing Counsel for AP RERA sought further time to file detailed Affidavit along with documents in the Registry. No representation for the 3rd respondent. In these circumstances, the Tribunal came to the conclusion that the respondents are not in a position to give proper assistance to this Tribunal to dispose of the Appeal as expeditiously as possible within a period of 60 days from the date of registration of the Appeal by following the time line prescribed in the Act. To dispose of the Appeal atleast within a reasonable period of time and to get full details of the project and its implementation, we have appointed Sri P. Venkata Sai Reddy, Chartered Accountant as Commissioner to conduct a detailed enquiry into the 1st respondent Project by personally visiting the Project and the premises of the 1st respondent. Posted the Appeal on 10-02-2026.

12. On 10-02-2026, Sri R.K. Acharulu (Sri R.N.V.S.K. Acharulu), Standing Counsel for 1st respondent (EUDA) was absent and Sri V. Sudhakar, Planning Officer, EUDA appeared and stated that he submitted all required documents to the Commissioner as

directed by this Tribunal. Sri P. Venkata Sai Reddy, Chartered Accountant appointed as Commissioner appeared before this Court and stated that he conducted a detailed enquiry into the 1st respondent Project and received documents from the 1st respondent/EUDA and sought time for filing Commissioner's Report. The Appeal was posted on 24-02-2026 for Commissioner's Report.

13. On 24-02-2026, Sri P. Venkata Sai Reddy, Commissioner (Chartered Accountant) appeared and filed the Commissioner's Report. On perusal of the Commissioner's Report, this Tribunal fixed the Commissioner's fee tentatively fixed as Rs.50,000/- (Fifty Thousand Only) and the Commissioner is also entitled to other expenses such as the travelling expenses and other expenses incurred during the Commissioner's proceedings. The 1st respondent Authority was directed to pay the Commissioner's Fee of Rs.50,000/- and other expenses to the Commissioner and posted the Appeal on 10-03-2026.

14. On 10-03-2026, Sri N. Ranganadha Rao, Counsel representing Sri R.K. Acharulu, Standing Counsel for EUDA appeared and sought for adjournment. He also asked for a copy of the Commissioner's Report. The Counsel for the 1st respondent was advised to apply for a certified copy of the Commissioner's Report. The 1st respondent

was directed to take steps to pay the Commissioner's Fee and expenses by the next date of hearing. No representation for 3rd respondent. Posted the Appeal on 24-03-2026.

15. On 24-03-2026, Counsel for the Appellant was present and he was ready to make his final arguments. But, Sri R.K. Acharulu, Standing Counsel for EUDA/ 1st respondent was absent and no representation. No representation for the 3rd respondent also. Sri Polisetty Bala Venkata Koteswara Rao, Standing Counsel for AP RERA/2nd respondent stated that records pertaining to the order under Appeal was handed over in the Registry. Heard Counsel for the Appellant in IA.No.2 of 2025 and the Petition is Allowed. Posted the Appeal on 31-03-2026.
16. On 31-03-2026, Counsel for the Appellant sought for adjournment. Sri R.K. Acharulu, Standing Counsel for EUDA/ 1st respondent was absent and no representation. Sri Polisetty Bala Venkata Koteswara Rao, Standing Counsel for AP RERA appeared and stated that he was ready to make his submissions. No representation for the 3rd respondent. Posted the Appeal on 07-04-2026.
17. On 07-04-2026, Counsel for the Appellant sought for adjournment. Sri R.K. Acharulu, Standing Counsel for EUDA/ 1st respondent was absent and no representation. The 3rd respondent had not made his

appearance through Counsel and no representation on his behalf and not filed Counter. Sri P.V. Sai Reddy, Commissioner (CA) appeared and filed Memo of Costs for an amount of Rs.65,000/- (including APGST Rs.4,500/-, CGST Rs.4,500/- and Travelling Expenses Rs.6,000/-) and stated that the 1st respondent had not paid Commissioner's Fee and expenses as directed by this Tribunal on 24-02-2026 and none appeared for the 1st respondent/EUDA and the Appeal was posted on 21-04-2026.

18. On 21-04-2026, the Counsel for the Appellant stated that he was ready to argue the case. Sri R.K. Acharulu, Standing Counsel for 1st respondent/EUDA was absent and no representation. It was informed that the Commissioner's Fee and expenses of Rs.60,000/- (Rupees Sixty Thousand only) was paid and the 1st respondent had not appeared in person. No representation for 3rd respondent and the Appeal was posted on 28-04-2026.

19. On 28-04-2026, Counsel for the Appellant appeared and made his submissions elaborately in the Appeal. Sri R.K. Acharulu, Standing Counsel for 1st respondent/EUDA was absent and no representation. No representation for 3rd respondent. The Summer Vacation intervene and the Appeal was posted on 16-06-2026 finally for the arguments of Sri R.K. Acharulu, Standing Counsel for 1st

respondent/EUDA and to enable the 3rd respondent to engage Counsel and make his submissions.

20. On 16-06-2026, Sri R.K. Acharulu, Standing Counsel for 1st respondent/EUDA was absent, even though the Appeal was posted specifically for his arguments. The 3rd respondent had not made his appearance through Counsel, not filed Counter and not submitted any arguments and the matter was 'Reserved for Judgement'.
21. On 07-07-2026, the Judgement is Pronounced.
22. Hence, 275 days of Delay is occurred.

Sd/- G.RAMA KRISHNA,
REGISTRAR

// True Copy //

M. C. S. J.
SECTION OFFICER 16/7/26

1. The Vice-Chairman, Eluru Urban Development Authority, Door No.16B-16-34, Rukmini Nivas, Chandra Gupta Colony, Eluru - 534 005, Eluru District, Andhra Pradesh.
2. The Director, Andhra Pradesh Real Estate Authority, D.No.60-5-1, Y Tower, Siddhartha Nagar, 1st Lane, Pinnamaneni Polyclinic Road, Vijayawada - 520 010, Krishna District, A.P.
3. The Principal Secretary, State of Andhra Pradesh, Municipal Administration and Urban Development Department, Secretariat Buildings, Velagapudi, Amaravati, Guntur District, Andhra Pradesh.
4. One CC to Sri P. Vivek, Advocate [OPUC]
5. One CC to Sri R.K. Acharulu, Sc for EUDA [OPUC]
6. One CC to Sri P.B.V. Koteswara Rao, SC for AP RERA [OPUC]
7. One Spare Copy

ANDHRA PRADESH REAL ESTATE
APPELLATE TRIBUNAL
AMARAVATI

Hon'ble Sri Justice MGR,
Chairperson
AND
Hon'ble Sri RCRM,
Member (Judicial)

DATED : 07-07-2026
DISTRICT : ELURU

ORDER

APPEAL No.1 OF 2025

APPEAL No.1 OF 2025
IS ALLOWED
WITH COSTS