

**HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

MAIN CASE No: **S.A.R.E.R.A. No.42 of 2026**

PROCEEDING SHEET

Sl. No.	DATE	ORDER	OFFICE NOTE
2.	27-07-2026	<u>GPK,J</u> <u>S.A.R.E.R.A.No.42 of 2026</u> Heard Sri Sankalp Pissey, learned counsel representing Smt.D.Padmavathi, learned counsel appearing for the appellant. The present Appeal is filed assailing the orders dated 10.06.2026 passed by the Telangana Real Estate Appellate Tribunal, Hyderabad (for short 'the Tribunal') in T.A.No.93 of 2025 confirming the orders dated 16.09.2025 passed in Suo Motu Case No.D6/827/2025 by the Telangana Real Estate Regulatory Authority (for short 'the Authority'). Pursuant to the <i>Suo motu</i> case registered by the learned Authority, the appellant appeared before it and upon considering the material, the learned Authority passed orders under Sections 35, 37 and 38 of the Real Estate (Regulation and Development) Act), 2016 (for short '2016 Act') directing to pay penalty of Rs.25,88,906/- under Sections 59 and 60 of the Act. Being aggrieved, the appellant approached before the learned Tribunal by way of T.A.No.93 of 2025, wherein the learned Tribunal framed the following issue for consideration <i>"Whether the impugned order 16.09.2025 passed by the learned Regulatory Authority is sustainable in law?"</i>	Transferred to the I.O. folder before making corrections

		The learned Tribunal, upon cumulative consideration of the material, found no infirmity in the impugned order dated 16.09.2025, thereby dismissed the Appeal by order dated 10.06.2026 confirming the said order. Assailing the same, the present Second Appeal is filed. Learned counsel for the appellant submits that the Authority without considering the objections raised by the appellant with respect to the absence of certification under Section 65-B of the Indian Evidence Act, 1872 and Section 63B of the Bharatiya Sakshya Adhniyam, 2023, passed the impugned order. Learned counsel for the appellant further submits that both the learned Tribunal and the Authority have failed to appreciate that the appellant is merely a Promoter and not involving in any business falling under the 'real estate category'. Having regard to the contentions raised, the following substantial questions of law arise for consideration : <i>"1) Whether the Tribunals committed jurisdictional error in treating the sale of agricultural land as a 'Real Estate Project' under Section 2(zn) of RERA without recording any finding regarding development activities contemplated under the Act?</i> <i>2) Whether the orders of the both Tribunals are vitiated for misconstruing of the documents and passed orders erroneously without determining the activity of the appellant falls under Section 3 of the RERA Act?</i> <i>3) Whether both the Tribunals failed to consider and assumed the jurisdiction contrary to Section 4(2) of the RERA Act that real estate project cannot be registered unless appropriate permission for execution thereof are obtained from the competent authority?"</i> Hence, ADMIT the Second Appeal.	
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I.A.No.1 of 2026

Heard Sri Sankalp Pisseey, learned counsel representing Smt.D.Padmavathi, learned counsel appearing for the appellant and perused the record.

Learned counsel for the appellant has drawn the attention of this Court to Section 2(zn) of the 2016 Act, which defines the term 'Real Estate Project', which deals with development of a building or a building consisting of apartments, or converting the existing building...".

Learned counsel further contended that the learned Tribunal, having considered the main contention of the appellant that the subject land is an agricultural land and sale of the land has taken place before the Tahsildar, who issued passbooks to the purchasers, held that the provision of Section 2(zn) of the 2016 Act is not applicable, which it is not tenable.

Upon perusal of the record, *prima facie*, this Court is satisfied that the appellant, though being a Promoter, not carrying on business, which attracts the provisions of the 2016 Act.

The matter requires consideration.

Hence, there shall be interim stay of all further proceedings including payment of penalty pursuant to order dated 16.09.2025 passed by the Telangana Real Estate Regulatory Authority, Hyderabad in Suo Motu Case NO.D6/827/2025 as confirmed by the Telangana Real Estate Appellate Tribunal at Hyderabad vide order dated 10.06.2026 passed in T.A.No.93 of 2025, till the next date of hearing.

		Issue notice to the respondents. Personal notice permitted. Post the matter on 24.09.2026. _____ GPK,J vsv	
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