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

SUO MOTU CASE NO. D6/5055(1)/2024
Date: 17th November 2026

Quorum: **Sri. K.S. Sreenivasa Raju, I.A.S., (Retd.), Hon'ble Chairman**
Sri Laxmi Narayana Jannu, Hon'ble Member
Sri K. Srinivasa Rao, Hon'ble Member

1. **M/s Phoenix Spaces Pvt. Ltd.**
2. **The Managing Director, TGIIC**
3. **The District Collector, Ranga Reddy District**

… **RESPONDENTS**

ORDER

The present Suo motu proceedings have been initiated by the Telangana Real Estate Regulatory Authority (hereinafter referred to as "the Authority"), in exercise of the powers conferred under Section 35(1) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the RE(R&D) Act, 2016"), in respect of the project "Phoenix 285 FD", undertaken by M/s. Phoenix Spaces Pvt. Ltd. (hereinafter referred to as "Respondent No.1"), situated in Puppalaguda village, Gandipet Mandal, Ranga Reddy District.

2. A representation dated 07.12.2024 was received from Sri Katipally Venkata Ramana Reddy, Hon'ble MLA, Kamareddy Constituency, alleging that Respondent No.1 was undertaking development activities in Survey 285 of Puppalaguda village by encroaching upon Mukkasani Kunta and its buffer zone, in violation of the Telangana Water, Land and Trees Act, 2002, environmental and lake-protection norms, and applicable statutory requirements.

3. The Secretary, TG RERA, vide Letter No.5055/TGRERA/2024 dated 23.12.2024, forwarded the representation to the Managing Director, TSIIC and the District Collector, Ranga Reddy District, seeking factual reports. A reminder dated 28.01.2025 was also issued. Subsequently, a representation dated 28.11.2025 was received from Sri Mohd. Shamshuddin, Vice-Chairman, TPCC (Minority Department), raising substantially similar allegations, which was considered along with the pending proceedings.

4. Respondent No.1 filed a Counter Affidavit dated 10.03.2026, denying the allegations and specifically denying any encroachment upon a water body. It submitted that the project "Phoenix 285 FD" is situated in Survey Nos.285/P, 286/P and 287/P of Puppalaguda Village and does not concern Survey Nos.185 and 186 of Narsingi Village. It submitted that the lawful

title and development rights over the subject property and stated that the development was being undertaken pursuant to requisite approvals.

5. Respondent No.1 submitted that the issue concerning Mukkasani Kunta had already been examined by the Hon'ble National Green Tribunal, Southern Zone, in O.A. No.39 of 2020, which was disposed of vide Judgment dated 10.08.2023. It contended that the Joint Inspection Committee constituted in the said proceedings found no water body in Survey Nos.285, 286 and 288 of Puppalaguda Village, pursuant to which the application was dismissed. It further stated that Civil Appeal No.1049 of 2025, challenging the said judgment, is pending before the Hon'ble Supreme Court. Respondent No.1 also relied upon registered Sale Deeds, Ratification Deeds and Development Agreements in support of its title and development rights over Survey No.285.

6. Respondent No.1 also submitted that the project is an IT/ITES Special Economic Zone governed by the Special Economic Zones Act, 2005 and the Rules framed thereunder. It submitted that the land and built-up spaces are allotted to approved entrepreneurs through lease or licence arrangements and are not sold to the public. Accordingly, it contended that the project does not fall within the definition of a "real estate project" under Section 2(zn) of the RE(R&D) Act, 2016, and is not liable for registration under Section 3(1) thereof.

7. Also, the District Collector, Ranga Reddy District, vide Letter No.LP/438/2025 dated 28.04.2026, submitted a factual report enclosing the reports of the Revenue Divisional Officer, Rajendranagar and the Tahsildar, Gandipet. In respect of Survey No.285 of Puppalaguda Village, the report traced the land's origin as Custodian/Evacuee Property and referred to the subsequent allotments, conveyances and registered instruments through which portions of the land were acquired by Respondent No.1. The report stated that the alleged water body was not included in the FTL demarcation dated 15.02.2014 or the Irrigation Department's water bodies list dated 25.01.2016, and that Survey No.285 was earmarked for residential use under G.O.Ms.No.288 dated 03.04.2008. The report further stated that construction activities were being undertaken in the subject lands and that no Government interest was reported in Survey Nos.285.

8. On 18.09.2026, Respondent No.1 was present before this Authority and advanced oral arguments reiterating the contentions raised in its Counter Affidavit and written submissions. It submitted that the project "Phoenix 285 FD" is situated in Survey Nos. 285/P, 286/P, and 287/P of Puppalaguda Village and denied encroachment upon Mukkasani Kunta or its buffer

zone. It submitted that the project is an IT/ITES Special Economic Zone governed by the Special Economic Zones Act, 2005, wherein land and built-up spaces are made available to approved entrepreneurs through lease or licence arrangements and are not sold to the public.

9. Accordingly, Counsel for Respondent No.1 submitted that the project does not fall within the definition of a "real estate project" under Section 2(zn) of the RE(R&D) Act, 2016, and is therefore not liable for registration under Section 3(1) of the said Act. Respondent No.1 accordingly prayed that the proceedings be dropped and the project be held exempt from registration under the RE(R&D) Act, 2016.

Observations of the Authority:

10. This Authority, upon examination of the material available on record, has considered the allegations raised in the present Suo motu proceedings and the submissions advanced by Respondent No.1.The principal issue requiring consideration is whether the subject project "Phoenix 285 FD", as represented by Respondent No.1, constitutes a "real estate project" within the meaning of Section 2(zn) of the RE(R&D) Act, 2016. Section 2(zn) defines a "real estate project" with reference to the development of buildings, apartments or plots for the purpose of sale. Also, Section 3(1) mandates registration before a promoter advertises, markets, books, sells or offers for sale any plot, apartment or building forming part of such project. Thus, the applicability of the registration requirement depends upon the nature and purpose of the development undertaken.

11. In the present case, Respondent No.1 has submitted that the subject project is an IT/ITES Special Economic Zone governed by the Special Economic Zones Act, 2005 and the Rules framed thereunder. It has specifically submitted that the project is a commercial development on leasehold land and that the land and built-up spaces are made available to approved entrepreneurs and SEZ units through lease or licence arrangements, without any sale of plots, apartments or buildings to the public. Respondent No.1 has relied upon the TSIIC approval and the SEZ framework in support of its contention. This specific representation is material to the determination of whether the project falls within the definition of a real estate project under Section 2(zn) of the RE(R&D) Act, 2016.

12. On examination of the material placed on record, this Authority observes that the representations received primarily raise allegations concerning encroachment upon Mukkasani Kunta, the buffer zone and the legality of development in the subject survey numbers. The factual report submitted by Respondent No.3 also deals with the revenue classification, title

history and water-body-related aspects of the subject lands. However, the said report does not establish that Respondent No.1 has developed or offered the subject project for sale of plots, apartments or buildings. The reference to construction activities and development agreements, in the absence of material establishing development for the purpose of sale, is not by itself sufficient to attract the definition of a real estate project under Section 2(zn).

13. This Authority, therefore, finds that, on the material presently available, the subject project is represented as a commercial SEZ development in which rights are granted to approved entities through lease or licence arrangements and not by way of sale of plots, apartments or buildings. In the absence of material establishing that the development is undertaken for the purpose of such sale, the essential requirement under Section 2(zn) of the RE(R&D) Act, 2016 is not made out. Consequently, the registration requirement under Section 3(1) of the said Act is not attracted, and no contravention of the said provision is established against Respondent No.1 in the present proceedings.

14. This Authority further clarifies that the present proceedings are confined to examining the applicability of the RE(R&D) Act, 2016 to the subject project. The findings recorded herein shall not be construed as confirming the title or development rights claimed by Respondent No.1, validating the transactions relating to the subject survey numbers, or approving the land use or construction activities undertaken therein. The issues concerning title, revenue classification, survey boundaries, the existence and FTL limits of Mukkasani Kunta, alleged encroachments, environmental compliance and the validity of permissions fall within the jurisdiction of the respective competent authorities. No finding is being recorded by this Authority on the merits of those issues, and Respondent No.1 shall remain bound by the approvals and statutory requirements applicable to the project.

15. This Authority places Respondent No.1 on strict notice that the present finding is based on its specific representation that the subject project is a commercial SEZ development and does not involve the sale or offer for sale of units. Respondent No.1 shall strictly adhere to the said representation.

16. In view of the foregoing observations, this Authority is of the considered view that the material presently available does not establish that the subject project “Phoenix 285 FD” is a real estate project within the meaning of Section 2(zn) of the RE(R&D) Act, 2016. Accordingly, the requirement of registration under Section 3(1) is not attracted in the facts and circumstances of the present case, and no contravention of the said provision is made out against Respondent

No.1. However, if at any subsequent stage it is found that Respondent No.1 has undertaken or offered any such sale, or that the representations made before this Authority are false, misleading or contrary to the actual nature of the project, this Authority will initiate appropriate regulatory or penal action against Respondent No.1, in accordance with law.

17. Accordingly, the present Suo motu Case No.5055(1)/2024 is hereby disposed of.

Sd/-	**Sd/-**	**Sd/-**
Sri K. Srinivasa Rao,	**Sri Laxminarayana Jannu,**	**Sri. K.S. Sreenivasa Raju, I.A.S.,** **(Retd.),**
Hon'ble Member,	**Hon'ble Member,**	**Hon'ble Chairperson,**
TG RERA	**TG RERA**	**TG RERA**

TG RERA
TELANGANA REAL ESTATE REGULATORY AUTHORITY