

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

[Under the Real Estate (Regulation and Development) Act, 2016]

Complaint No. 494 of 2025

Dated: 22nd June 2026

Quorum: **Sri Laxmi Narayana Jannu, Hon'ble Member**
Sri K. Srinivasa Rao, Hon'ble Member

Koladani Sasanka Krishna

Kilaru Sri Naha Sai Dara Devi

*(402, Amruta Srinivasam, Road No.9B
Gopal Nagar, Hyderabad- 500085)*

...Complainants

Versus

M/s. Vasavi Realtor LLP,

*(Rep by its Designated Partner, Vijay Kumar Yerram,
Vasavi Corporate,*

H.No.8-2-703/7/1 and 8-2-703/7/1/A,

*4th Floor, Vasavi Corporate Building, Amrutha Valley Apartments,
Road No. 12, Banjara Hills, Hyderabad, Telangana – 500034)*

...Respondent

The present matter filed by the Complainant herein came up for final hearing on 19.02.2026, before this Authority in the presence of the Complainants and Respondent absent despite service of notice, hence Respondent were set ex-parte and upon hearing the submissions of the Complainant, this Authority proceeds to pass the following order:

ORDER

2. The present Complaint has been filed by the Complainant under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the “Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the “Rules”) seeking appropriate relief(s) against the Respondents

A. The brief facts of the case, as stated by the Complainant, are as follows:

3. It is submitted by the Complainants that they purchased a flat from Vasavi Lake City East (RERA Registration Number: P02500001821). As per AOS the flat was to be handed over by August 2023 with a grace period of 6 months. But till today it was not handed over. As per AOS the builder has to pay rent as per RERA guidelines. But in this aspect, they maintain silence.

4. It is submitted that the complainants had already paid the amount as per the schedule

5. It is submitted by the complainants that in balconies, the builder utilized majority of area for running pipelines and covered them by iron frame. Hence, complainants lost much of space which is charged as per floor plan

6. It is submitted by the complainants that in AOS, a kitchen platform is to be provided. However, it is not provided and the said amount is reimbursed at wholesale rate, which is not disclosed even for e-mails.

B. Relief(s) Sought:

7. Accordingly, the Complainant sought the following reliefs:

- a) *Rent to be paid from March 2024 until Occupancy Certificate is received at Rs.20/- per Sft. Dues to be cleared with immediate effect and upcoming months to be paid on or before 5th of the subsequent month.*
- b) *Pipelines running through the balcony and covered with iron frame by the Builder, taking away space unutilized by the Complainant, and the same area not to be considered under the flat area and accordingly final payment to be adjusted.*
- c) *Quality checks to be done by the Builder in the presence of the buyer satisfactorily at their own cost, as the construction of the structure of the flat was done 2 years ago post reception of Occupancy Certificate and before handover process.*
- d) *Cost of kitchen platform, which is not provided by the Builder, has to be reimbursed and relevant amount to be agreed with the Complainant in writing by the Builder.*

C. Counter filed by the Respondent:

8. The Case of the complainant in all cases is common i.e.

- a) Delay in Handing Over possession of their flat.
- b) The Complainants have paid their consideration as demanded by the Respondent.
- c) Missed several delivery schedules by the Respondents.

For all the above submissions the relief sought is:

- i. For immediate delivery of possession through a direction of this Authority
- ii. Interest to be paid on the total amount under Section 18 of the RERA Act.
- iii. Compensation for deviating Agreement of Sale.
- iv. Compensation for mental harassment and financial loss.

The Respondent made the following in reply through their common counter as under:

9. Respondent has agreed to develop the project “LAKE CITY-EAST” and has obtained the rights lawfully from the owners under registered documents whereby the land owners have entrusted the Respondent with a total land admeasuring 34704.37 Sq. Yds., which land is utilised for developing a residential project named as “LAKE CITY EAST”, hereinafter called the “Project”. After obtaining the relevant requisite documents from the land owners,

the Respondents have made arrangements to obtain the requisite permissions as envisaged under law.

10. The Respondent has obtained permission to convert the land and also obtained the building permission for construction of multi storied residential apartments dated 07.02.2020. The project consists of total Towers consisting of 1 to 6 consisting of Cellars plus Ground +14 upper floors, clubhouse consisting of one stilt +5 upper floors. The total land for the project has been 40869 Sq. Yds.

11. After having obtained the permission from the authorities, the project was registered with the Authority vide Registration No. P02500001821 dated 20.03.2020.

12. The Applicant was allotted an apartment in the project vide booking dated 03.10.2021 and was allotted Apartment No. E-050510 on 5th Floor in Block/Tower No.5 having area of 1915 Sft along with parking as permissible under law. As per Agreement of Sale, carpet area of schedule apartment is 1276 Sft exclusive veranda balcony area is 144 Sft and with an interest in the common area is 419 Sft with an undivided right and interest in the schedule project land of 54 Sq. Yds. The total consideration agreed under the Agreement of Sale is Rs.89,68,550/- (Rupees Eighty Nine Lakhs Sixty Eight Thousand Five Hundred and Fifty Only). The Agreement provides for schedule apartment which deals with area Schedule-B in the plan.

13. The Respondent was entitled to the extension of the registration of the project by the Authority as per law based on the reasons. The construction commenced in the project and the authorities have been intimated from time to time periodically of the development in the project. Schedule also provides for the amenities.

14. The Hon'ble Authority is very well aware of the fact that the country and the world over has gone through a medical emergency called COVID-19 where different symptoms of unusual pneumonia like illness started taking a heavy toll on human life and it was in January 2020, the World Health Organisation declared COVID-19 outbreak as a public health emergency of international concern. Following the widespread disease, the Government of India also confirmed cases in India including in Telangana State.

15. Multiple cases were reported from different countries and India declared nationwide lockdown in March 2020 in phase wise manner. Country was in complete lockdown from March 2020 and the entire world suffered on account of COVID-19. Cases started increasing and vaccinations were put into place by the Government. Hon'ble Supreme Court had extended the timeline for cases under Limitation Act in Suo Motu Writ Petition No.3 of 2020. It is further clarified that the period from 15.03.2020 till 28.02.2022 shall stand excluded in

computing the periods prescribed under Sections 23(4) and 29A of the Arbitration and Conciliation Act, 1996, Section 12A of the Commercial Courts Act, 2015 and provisos (b) and (c) of Section 138 of the Negotiable Instruments Act, 1881 and any other laws, which prescribe periods of limitation for instituting proceedings, outer limits and termination of proceedings. This is cited to impress upon the Hon'ble Authority that extension of timelines were authorised by law.

16. Respondent has undertaken to deliver the flats within the RERA extension up to 07.02.2026. On an application, RERA was pleased to grant extension based on the COVID conditions.

17. The Hon'ble Authority heard both the complainant and the Respondent and posted the matter for orders. The following are the details of the flat in question i.e. the Complainant was allotted Apartment No. E-050510 on 5th Floor in Block/Tower No.5 having area of 1915 Sft along with parking as permissible under law. As per Agreement of Sale, carpet area of the schedule apartment is 1276 Sft exclusive veranda balcony area is 144 Sft and common area is 419 Sft with an undivided right and interest in the schedule project land of 54 Sq. Yds. The total consideration agreed under the Agreement of Sale is Rs.89,68,550/-.

18. Following is the legal position as upheld by the Hon'ble High Court, National Commission and the Hon'ble Supreme Court which has a bearing on the facts of this case.

19. COVID-19: The Hon'ble National Consumer Disputes Redressal Commission, New Delhi in Consumer Case No.1941 of 2018 decided on 24.01.2023 in *Gautam Roy & Ors. Vs. Avalon Projects* observed in Para Nos.5, 6, 7 & 8 that Apartment Buyer's Agreements were executed on different dates and date of possession had not expired for some of the complainants on the date of filing of complaint. Some of the allottees were defaulters in payment of instalments and had paid very less amount. Although the complainants were aggrieved with delay in handing over possession, there was no sameness amongst the allottees.

20. Force majeure reasons for delay as well as defaults committed by various allottees include demonetization vide Order dated 08.11.2016 due to which there had been migration of labourers from urban areas to villages and the real estate sector was adversely affected. The Country was also affected with Pandemic COVID-19 from March 2020 till June 2021 and lockdown was imposed by the Government. Clause 6.1 of the Agreement was subject to timely payment of instalments and force majeure reasons arising during the 42 months period.

21. The Hon'ble National Consumer Disputes Redressal Commission in *Emaar MGF Land Limited & Anr. Vs. Amit Puri* on 30.03.2015 observed that subject to force majeure conditions and reasons beyond the control of the Company, possession was to be delivered within the stipulated period and the Company shall be entitled to extension of time till the force majeure event persists or the reason beyond the control of the Company exists.
22. However, the Courts have sounded a note of caution that compensation cannot be awarded in all cases on a uniform basis or at a uniform rate.
23. The Hon'ble Supreme Court in *Halliburton Offshore Services Inc.* has explained whether COVID-19 pandemic would justify non-performance or breach of contract and observed that the same has to be examined on the facts and circumstances of each case and every breach or non-performance cannot be justified merely by invoking COVID-19 as force majeure.
24. Various Courts in India have also recognised COVID-19 as force majeure. The judgment of *M/s Halliburton Offshore Services Inc. Vs. Vedanta Limited O.M.P.(I)(COMM.) No.88/2020* specifically held COVID-19 to be a force majeure event, however, the Court clarified that whether COVID-19 would justify non-performance or breach of contract has to be examined on the facts and circumstances of each case.
25. On account of enormous devastating effects created by the pandemic on the commercial and economic environment in the country, different Courts had to come forward and grant relief to contracting parties who were severely affected by the pandemic.
26. Reference is also made to *GDA Vs. Balbir Singh* wherein it was held that compensation can take different forms considering the facts and circumstances at hand and determination has to be made keeping in view the stage of work completed, lapse in duty and loss caused.
27. In light of the above settled legal position, whenever there is delay in delivery of possession of flats, the law requires examination as to whether the delay occasioned was based on reasonable and justifiable cause. The project was affected due to COVID-19, migration of labour, and blasting of rocks manually due to residential accommodation being close to the project site. These facts are required to be considered by this Hon'ble Authority while adjudicating the case of the Respondent Builder. Even today, on aggregate basis, 85% to 80% work is completed and completion of work is being done on war footing to deliver flats in phased manner by obtaining partial OCs tower wise.
28. The Complainant having obtained Agreement of Sale has paid only 53% and the date of Agreement of Sale is 03.10.2021 and therefore not entitled to any compensation.

29. Any registered Sale Deed holder who has paid 100% amount, the Respondent has no objection to pay compensation @ Rs.20/- per Sft on carpet area.

30. If compensation is claimed as per law, proof of loss has to be demonstrated with material evidence. In the present case, no such evidence has been filed and therefore no compensation for alleged harassment and mental agony can be granted.

31. The law as indicated herein is very clear that when possession is delivered to the customer, they are not entitled to compensation and attention is invited to the judgment of the National Commission in *Emaar MGF Land Limited & Anr. Vs. Amit Puri*.

32. In view of the above stated, it is therefore prayed before this Hon'ble Authority to look into the genuineness of the case and delay occasioned in handing over possession is based on reasonable and justifiable cause of force majeure event and pass such order or orders in favour of the Respondent as deemed fit and proper in the interest of justice.

D. Rejoinder filed by the Complainant:

33. The Complainants submit that all the information provided by them has been ignored by the Respondent and completely false information has been submitted before this Hon'ble Authority.

34. As per the Agreement of Sale, the Builder has to handover a carpet area of 1276 Sq. Ft. excluding balconies of 144 Sq. Ft. and common area. The claim of the Complainants is to handover the main flat and balconies strictly in accordance with the measurements mentioned in the approved plan. If there is any deficiency in area, the same has to be refunded by the Respondent.

35. The Respondent in Para 17 of the Counter has wrongly stated that the Complainants have paid only 53% and are not entitled to any compensation. The date of Agreement of Sale has not even been verified before submission before this Hon'ble Authority and has been wrongly mentioned by the Respondent. The actual date of Agreement of Sale is 22.04.2022 and the payment schedule has been strictly followed by the Complainants.

36. The Respondent in Para 18 of the Counter has stated that compensation @ Rs.20/- per Sft shall be payable only to registered Sale Deed holders who have paid 100% of the consideration amount. In this regard, the Complainants submit that the amount paid till date is strictly in accordance with the payment schedule mentioned in the Agreement of Sale. It is unreasonable and ridiculous to expect 100% payment on the date of Agreement of Sale unless the project is already completed and handed over along with all promised amenities.

37. The Complainants further submit that the compensation sought is to be calculated on the actual area of the flat and not merely on the carpet area, as the payments made by the Complainants are towards the total flat area and not towards carpet area alone.

38. Looking at all aspects from the side of the Complainants, the Counter filed by the Respondents is totally false and contains misleading information. Hence, the Complainants deny and do not accept the false allegations made by the Respondents.

39. The Complainants respectfully request this Hon'ble RERA Authority to consider the claims made by them and issue appropriate directions to the Respondents or pass such orders as this Hon'ble Authority deems fit and proper in the interest of justice.

E. Points for Consideration

40. Upon a careful perusal of the record and the submissions advanced by both parties, oral as well as written, this Authority is of the view that the following issues arise for determination in the present complaint:

1. *Whether the Complainants are entitled to the reliefs as prayed for?*

F. Observations of the Authority:

41. Before further adjudicating on the matters, this Authority takes due note of the repeated non-compliance by the Respondents, who have failed to appear before this Authority despite service of notice through registered post and substituted service and affording sufficient opportunities. It is observed that when the matter was called on 12.09.2025, 10.10.2025, 12.11.2025, 19.12.2025, 30.01.2026, and finally on 19.02.2026, the Respondent Liaison officer was present only on 30.01.2026 and remained absent on all other occasions. Such persistent non-appearance and failure to respond, despite repeated opportunities afforded, demonstrate a deliberate disregard for the proceedings of this Authority. Therefore, in view of their continued absence, the Respondent is hereby set ex-parte. Accordingly, the matter is being adjudicated based on the pleadings, documents, and submissions placed on record by the Complainants.

42. The Complainants have sought a direction to the Respondent to pay rent at the rate of Rs.20/- per Sft from March 2024 till the date of receipt of Occupancy Certificate, along with a further direction to clear the arrears immediately and continue to pay the same on or before the 5th of every succeeding month.

43. At the outset, it is pertinent to note that such a relief, being in the nature of compensation, squarely falls within the ambit of adjudication under Section 71 of the Real Estate (Regulation and Development) Act, 2016. The scheme of the Act clearly demarcates the jurisdiction between the Regulatory Authority and the Adjudicating Officer.

71. Power to adjudicate.—(1) For the purpose of adjudging compensation under sections 12, 14, 18 and section 19, the Authority shall appoint, in consultation with the appropriate Government, one or more judicial officer as deemed necessary, who is or has been a District Judge to be an adjudicating officer for 31 holding an inquiry in the prescribed manner, after giving any person concerned a reasonable opportunity of being heard: Provided that any person whose complaint in respect of matters covered under sections 12, 14, 18 and section 19 is pending before the Consumer Disputes Redressal Forum or the Consumer Disputes Redressal Commission or the National Consumer Redressal Commission, established under section 9 of the Consumer Protection Act, 1986 (68 of 1986), on or before the commencement of this Act, he may, with the permission of such Forum or Commission, as the case may be, withdraw the complaint pending before it and file an application before the adjudicating officer under this Act.

(2) The application for adjudging compensation under sub-section (1), shall be dealt with by the adjudicating officer as expeditiously as possible and dispose of the same within a period of sixty days from the date of receipt of the application: Provided that where any such application could not be disposed of within the said period of sixty days, the adjudicating officer shall record his reasons in writing for not disposing of the application within that period.

(3) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of any of the sections specified in sub-section (1), he may direct to pay such compensation or interest, as the case any be, as he thinks fit in accordance with the provisions of any of those sections.

44. While this Authority is empowered to regulate the project, ensure compliance with the Act, and issue necessary directions, the determination of compensation, is specifically entrusted to the Adjudicating Officer

45. This Authority, while exercising jurisdiction under Section 31 of the RE(R&D) Act, is primarily concerned with regulatory directions and enforcement of obligations. However, determination of compensation, including rent for delayed possession, is to be adjudicated by the Adjudicating Officer appointed under Section 71 of the RE(R&D) Act.

46. In view of the same, this Authority is of the considered opinion that the relief sought by the Complainants for payment of rent at Rs.20/- per Sft cannot be adjudicated in the present proceedings.

47. Accordingly, the Complainants are at liberty to approach the Adjudicating Officer by filing an appropriate application in the prescribed form, where such claim for compensation can be examined in detail and decided in accordance with law.

48. The Complainants have further contended that certain pipelines have been laid through their balcony and enclosed with an iron framework by the Respondent, thereby

reducing the usable space available to them. On this basis, they have sought that such affected area should not be counted as part of the flat area and that the sale consideration should be reduced proportionately.

49. This Authority has perused the Agreement of Sale and notes that the subject unit consists of:

- a) Carpet Area: 1276 Sq. Ft.
- b) Exclusive Verandah/Balcony Area: 144 Sq. Ft.
- c) Common Area Share: 419 Sq. Ft.
- d) Undivided Share of Land: 54 Sq. Yards

50. From the above, it is clear that the balcony/verandah area is separately identified and forms part of the agreed specifications between the parties.

51. The issue for consideration is not merely whether pipelines exist in the balcony, but whether the actual area of the balcony allotted to the Complainants is in conformity with what has been agreed under the Agreement of Sale, sanctioned plan.

52. In such circumstances, the determining factor is whether the balcony area as delivered is in conformity with the dimensions and specifications as approved in the sanctioned plan.

53. Further, the Complainants have not placed on record any specific material or documentary evidence regarding the exact balcony area allotted to them. Therefore, both the Complainants and the Respondent are directed to jointly verify the actual balcony area with reference to the sanctioned plan.

54. However, if the balcony area as constructed and allotted is in accordance with the sanctioned plan and the specifications agreed upon, merely the presence of pipelines or structural elements, which are part of standard construction and utility infrastructure, would not entitle the Complainants to any price adjustment.

55. Further, It is observed from the material placed on record that, as per the Agreement of Sale, the Complainants have paid an amount of Rs.47,08,489/-(Rupees Forty Seven Lakhs Eight Thousand Four Hundred and Eighty Nine only) towards the sale consideration. It is further noted that the balance sale consideration remains to be paid in accordance with the payment schedule agreed between the parties.

56. This Authority is of the considered view that the obligations under the Agreement of Sale are reciprocal in nature. While the Respondent is bound to complete the project and hand over possession in accordance with the agreed terms, the Complainants are equally obligated to adhere to the payment schedule as stipulated in the Agreement of Sale.

57. Section 19 of the Real Estate (Regulation and Development) Act, 2016, casts a duty upon the allottee to make necessary payments in a timely manner, in accordance with the Agreement for Sale. The said provision clearly mandates that the allottee shall be responsible to make payments as per the agreed terms and conditions and participate towards registration and other charges as applicable.

58. Accordingly, the Complainants are directed to pay the balance sale consideration strictly in accordance with the agreed payment schedule, subject to the stage-wise progress of construction.

G. Directions of Authority:

59. In view of the findings and observations recorded hereinabove, this Authority proceeds to issue the following directions:

- a) It is the duty of Respondent to deliver the flat, as per the dimensions mentioned in Sanctioned plan. If the dimensions of balcony include boundary i.e. side railings it has to be clarified to Complainant and if the total balcony area is reduced physically and is not matching with sanction plan, Respondent has to adjust the same in the total sale consideration.
- b) The Respondent shall complete the project and hand over possession of the subject unit in accordance with the sanctioned plan and specifications, strictly adhering to the provisions of the RE (R&D) Act, 2016 and the Rules made thereunder.
- c) The Complainants are directed to pay the balance consideration strictly in accordance with the agreed payment schedule.

60. Failure to comply with the above directions by the Respondent shall attract penalty in accordance with Section 63 of the RE (R&D) Act, 2016.

61. As a result, the Complaint is disposed of accordingly. No order as to costs

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

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