

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 140/2025/TG RERA

Dated: 2nd September 2025

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

1. Manne Shyam

2. Kamani Sri Lakshmi

*(R/o Flat No. 201, Navya Kuteer 1, JV Hills,
Kondapur, Hyderabad – 500084)*

...Complainant

Versus

M/s. Vasavi Realtor LLP,

(Rep by its Designated Partner, Yerram Vijay Kumar,

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 hearing on 11.07.2025 before this Authority in presence of Complainant in person and Respondents Counsels Sri D Madhav Rao and M.K.Joy Raj; upon pursuing the material on record and on hearing arguments of the both the parties and having stood over for consideration till this day, the following order is passed:

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 “RE(R&D) Act”) read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the “TG RE(R&D) Rules”) seeking appropriate relief(s) against the Respondents.

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

3. The Complainant states that he purchased a flat in *Vasavi Lake City* in June 2024 from the landlord's share, relying upon the advertisements of the project, personal interactions with

the landlord owner, and the overall reputation of the project which was portrayed as a well-planned and timely development. The purchase was made with the legitimate expectation that the flat would be delivered within the committed timeframe. It is submitted that the Complainant made 100% payment for the flat, believing that the project was on track. The builder, Mr. Yerram Vijay Kumar, personally assured the Complainant that handover would take place by August 2023 and even conveyed that possession could be given earlier than the promised deadline.

4. The Complainant has stated that despite such assurances, the project has been subject to repeated and unjustified delays and, as of February 2025, remains incomplete. The Respondent has continuously postponed the handover date, citing vague reasons and failing to provide a clear timeline. Each time the Complainant enquired about possession, new dates were given along with false assurances, but without any real progress on the ground. Having already paid the full consideration amount, the Complainant has been left in a position of uncertainty and financial distress, as the delay has severely disrupted his plans and investments.

5. It is further submitted that as of January 2025, the project was only about 60 to 70 percent complete, and since then no major progress has taken place. Essential works such as interior finishing, provision of common amenities, and supporting infrastructure remain pending. Despite multiple follow-ups, the Respondent has failed to provide a clear roadmap or firm completion schedule, leaving the Complainant and other buyers in a state of frustration and anxiety. The absence of visible progress and lack of proper communication have raised genuine doubts about the Respondent's commitment to completing the project.

6. The Complainant submits that the Respondent's conduct amounts to a serious violation of RERA provisions, inasmuch as the Respondent has failed to deliver possession within the stipulated period and has collected 100% of the payment upfront without fulfilling the contractual obligations. The delay has imposed significant financial burden on the Complainant and has caused severe mental stress and emotional hardship. It is therefore submitted that in view of the prolonged delay, lack of accountability, and the failure of the Respondent to provide a firm completion date, the Complainant is constrained to file this complaint before this Hon'ble Authority seeking urgent intervention, financial compensation, and strict action against the builder so that justice may be served.

B. Reliefs / Prayers

7. The Complainant, therefore, prays that this Hon'ble Authority may be pleased to:
- a) Direct the Respondent (Builder) to complete the construction and hand over possession of the subject flat at the earliest, by fixing a definite and enforceable timeline, and in case of failure, to impose strict penalties on the builder.
 - b) Award interest on the total amount paid by the Complainant, in terms of Section 18 of the RE(R&D) Act, from the promised possession date of August 2023 until the actual date of handover.
 - c) Grant compensation for mental harassment, inconvenience, and financial loss suffered due to the prolonged delay, false assurances, and lack of transparency on the part of the builder.
 - d) Pass such other and further orders as this Hon'ble Authority may deem fit and proper in the circumstances of the case.

C. Counter filed by the Respondent:

8. It is submitted by the Respondent that the complaint is not maintainable either in law or on facts and is liable to be dismissed. It is submitted that the complainant has not followed the remedies available under the Agreement for Sale for resolution of disputes before approaching this Hon'ble Authority. Further, no prior legal notice was issued before filing this complaint, which itself renders the application defective and not maintainable.

9. It is submitted that the project "Lake City-West" was developed lawfully after obtaining rights from the landowners under registered documents, covering 43,298.17 sq. yds. While requisite land conversion permissions and building permissions for construction of multi-storied apartments were obtained on 07.02.2020. The project consists of seven towers (cellars + ground + 14 upper floors) and a clubhouse (stilt + five upper floors). The project was duly registered with this Authority vide Registration No. P02500001819 dated 20.03.2020.

10. It is further submitted that the Complainant was allotted an apartment in the project and was allotted an apartment No. W.51410 on the 14th Floor of Tower 5, admeasuring 1650 sq. ft., along with parking with an undivided share of land admeasuring 42.60 Sq.Yds. for a total consideration of Rs. 82,50,000/-, agreed under the sale deed. The agreement provides for

schedule apartment which deals with area Schedule B in the plan. Schedule C provides the terms and conditions of the payment accepted by the parties.

11. It is submitted that as per Clause 7 of the Agreement, the Respondent was obligated to hand over possession of the flat and common areas by 31.08.2023, subject to extension in the event of force majeure. The Agreement itself clearly records that timely delivery is the essence of the contract but also recognises that the period of completion shall stand extended to the extent of delay caused by force majeure conditions, during which period the allottee is not entitled to claim compensation.

12. It is submitted that the complainants have not come before this Hon'ble Authority with clean facts but with an ulterior motive to make unlawful gain and that there has been material suppression of facts of the case with regard to the claim and the relief sought therein.

13. It is further stated that COVID-19 is a force majeure event duly recognized under law, and hence the timelines stood extended. The Respondent contended that the COVID-19 pandemic, subsequent lockdowns, and migration of labourers had severely impacted construction work. The Respondent further relies on the orders of the Hon'ble Supreme Court in *Suo Motu Writ Petition No. 3 of 2020*, whereby the period from 15.03.2020 till 28.02.2022 was excluded for the purposes of computation of limitation across various statutes. It is contended that the extension of time for completion of the project was not only factually justified but also recognised in law.

14. In addition to COVID-19, the Respondent submits that unforeseen site conditions such as rocky terrain requiring manual excavation further delayed the project. Owing to restrictions on blasting due to the residential nature of the surrounding locality, excavation could only be done manually, which compounded the delay. These challenges were communicated to all allottees through regular updates and meetings.

15. The Respondent also submits that certain third-party disputes adversely impacted the project timelines. These include cases such as RERA Case No. 190/2020, W.P. Nos. 2694/2021, 13898/2022, 33433/2023, W.A. No. 584/2023, SLP Nos. 9694–9695/2023, and W.P. No. 26301/2024, some of which are still pending. While most have been resolved, their pendency at various points of time hindered the smooth progress of the project.

16. It is contended that the project has been executed strictly in accordance with approved plans and specifications, and any clerical or typographical errors in the Agreement of Sale cannot be construed to create liability. It is the case of the Respondent that more than 90% of the project construction is completed and the project is presently in its final finishing stage. An extension of registration has already been granted by this Authority till 07.02.2026, within which period the Respondent undertakes to deliver possession of the apartments to all allottees. Communications have also been issued to purchasers for payment of balance amounts, as completion is nearing.

17. With regard to the claims for interest and compensation, the Respondent submits that in view of the force majeure conditions, no such relief is available to the Complainant under law. Section 6 of the Act specifically contemplates force majeure events such as natural calamities and other circumstances beyond the control of the promoter. The Respondent submits that the COVID-19 pandemic, together with the extraordinary circumstances outlined above, clearly falls within the scope of force majeure.

D. Rejoinder filed by the Complainant:

18. It is submitted that the preliminary objection raised by the Respondent regarding maintainability of the complaint is baseless, vague, and legally untenable. The present complaint has been filed under the RE(R&D) Act, 2016, seeking relief for the unreasonable delay in delivery of possession of the flat in the registered project bearing RERA No. P02500001819. As per the Agreement of Sale dated 14.03.2021, the committed possession date was 31.08.2023. However, even as on the date of filing this complaint i.e., 22.02.2025, possession has not been handed over and the project remains incomplete at less than 85%. The Hon'ble Telangana RERA has clear jurisdiction to entertain complaints of this nature, and the application is legally maintainable in fact and in law. The Respondent's objection is therefore baseless and liable to be dismissed.

19. It is further submitted that the Respondent's claim that the application is not maintainable for want of exhausting internal dispute resolution mechanisms is untenable. The Complainant has already provided all evidence, including the minutes of meetings and Form M, along with proof of repeated efforts to contact and follow up with the Respondent. Despite such attempts, the Respondent failed to resolve the issue, leaving no alternative but to approach this Hon'ble Authority. Similarly, the contention that no legal notice was issued prior to filing

this complaint is also unsustainable. The Complainant had repeatedly contacted the builder for possession, and on each occasion, new deadlines were given without any proper explanation. As per RERA provisions, issuance of a prior legal notice is not mandatory.

20. The Complainant submits that all facts, timelines, and obligations must be assessed based on the Agreement of Sale, not merely the booking date. The Respondent's obligations and delivery schedule arise from this legally binding agreement. RERA must consider the date of agreement and not the date of booking. The Respondent has never proactively communicated about the delay or progress. The project schedule was shared only after multiple follow-ups and was never adhered to.

21. At the outset, the Complainant categorically denies and strongly objects to the vague, baseless, and defamatory allegations of the Respondent. These claims are wholly unsubstantiated and appear to be a deliberate attempt to malign the Complainant's genuine grievance while diverting attention from the Respondent's failure to deliver possession. The Agreement of Sale clearly specifies 31st August 2023 as the possession date, which the Respondent has never disputed. Despite nearly two years having elapsed, possession has not been handed over. The Complainant firmly refutes the allegation that this complaint has been filed with ulterior motives. Approaching this Hon'ble Authority is a statutory right under RERA. All material facts, including the AOS, proof of payment, correspondence, and evidence of delays, have been placed on record. In contrast, the Respondent has failed to honor multiple promised possession timelines and continues to defer delivery.

22. The Respondent's reliance on COVID-19 as force majeure is misplaced. The Complainant's agreement was executed after COVID-19 and hence this does not apply. Furthermore, the delay in construction occurred from late 2023 onwards, a time when COVID restrictions were no longer in effect. This is evident from the fact that no demand letter was issued after October 2023 for more than a year, clearly confirming that construction progress was stalled for reasons unrelated to COVID. The same reasoning applies to subsequent justifications by the Respondent regarding labour shortages and lockdowns.

23. The Complainant submits that the delay has been cumulative. After each discussion, the possession date was revised and updated three to four times beyond the original agreed date of August 2023. The Agreement of Sale is a critical legal document, and the builder cannot dismiss its commitment as a clerical error. If one allottee had such a date, it could be considered

an error, but the same date was given to the majority of allottees, making it binding and intentional. The Complainant has also placed sufficient proof before this Authority demonstrating repeated violations of the first possession date of August 2023, second date of February 2024, third date of February 2025, and fourth date of June 2025.

24. With respect to third-party disputes, the Complainant states that the Respondent never proactively disclosed these matters. They were revealed only upon insistence by the allottees. It is the builder's legal obligation to resolve such issues and deliver the project as per the committed schedule in the AOS. Likewise, the claim of proactive communication by the Respondent is denied. No communication acknowledging delay was ever shared and signed by the Complainant. If such documents exist, the Respondent may be directed to produce them before this Authority.

25. On the claim of interest, the Complainant submits that all evidence of missed possession dates has been provided. Under Section 18 of the RERA Act, the Complainant is entitled to interest for the delay period. This delay exceeds two years beyond the agreed possession date, and the Complainant has already paid 90% of the total amount, including around Rs. 1 crore since March 2021. The claim of compensation is also valid. The Complainant will submit Form N separately as directed by this Authority, in addition to Form M already filed. The mental agony and harassment suffered have been detailed in the original complaint.

26. The Complainant strongly denies the Respondent's claim of entitlement to an extension until February 2026. The Respondent is legally obligated to pay interest and compensation under RERA rules. The Complainant is ready to clear any outstanding dues upon completion of the entire project, including amenities, but the builder cannot unlawfully demand 100% payment prior to completion. The Respondent's reliance on Covid or site conditions such as rocky terrain is irrelevant and cannot override the express contractual commitment. The burden of timely completion lies squarely on the promoter.

27. It is reiterated that whenever demand letters were raised, the Complainant complied and disbursed payments before the due date. The entire burden of delay lies with the Respondent, who has repeatedly failed to honor commitments. The suggestion that this complaint is false or frivolous is firmly denied. The Complainant requests the Hon'ble Authority to examine the extensive documentary evidence placed on record.

28. In view of the above, the Complainant respectfully prays that this rejoinder be taken on record, the objections raised by the Respondent be dismissed, and the reliefs sought in the original complaint, including interest and compensation, be granted. The Complainant further prays for such other orders as this Hon'ble Authority may deem fit and proper.

E. Points for Consideration:

29. 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 present complaint is maintainable before this Authority?
2. Whether the Complainants are entitled to the reliefs as prayed for?

F. Observations of the Authority:

30. The Respondent has raised an objection as to the maintainability of the present complaint on the ground that the Complainants failed to first resort to the contractual dispute resolution mechanism envisaged in the Agreement of Sale, namely an amicable settlement by mutual discussion, prior to approaching this Authority. The Authority finds this objection untenable for the following reasons:

31. The relevant Dispute Resolution clause in the Agreement of Sale is reproduced below for ready reference:

33. Dispute Resolution clause in the Agreement of sale executed between the parties, the said clause stated that all or any disputes arising out of touching upon or in relation to the terms and conditions of this Agreement, including the interpretation and validity of the terms thereof and the respective rights and obligations of the Parties, shall be settled amicably by mutual discussion, failing which the same shall be settled through adjudication officer appointed under the Act.

It is clear from the above that the clause only requires the parties to attempt an amicable settlement by mutual discussion. Such a clause is at best directory and cannot oust or restrict the statutory jurisdiction of this Authority.

32. Section 79 of the RE(R&D) Act expressly bars the jurisdiction of Civil Courts in respect of any matter which this Authority, the Adjudicating Officer, or the Appellate Tribunal is empowered to determine. Likewise, Section 88 clarifies that the provisions of the RE(R&D)

Act are in addition to, and not in derogation of, other laws. Thus, the intention of the legislature is that remedies under this beneficial legislation must remain open to allottees, irrespective of any private clause for amicable settlement.

33. Even in cases where agreements contained arbitration clauses (which is not the case here), the Hon'ble Supreme Court and the Hon'ble NCDRC have consistently held that such clauses cannot circumscribe the jurisdiction of consumer fora or statutory authorities constituted under special enactments.

34. In *National Seeds Corporation Ltd. v. M. Madhusudhan Reddy* (2012) 2 SCC 506, the Supreme Court held that remedies under special statutes are in addition to, and not in derogation of, other remedies. For ready reference, the relevant extract is reproduced below:

**“49. Support to the above view is also lent by Section 79 of the recently enacted Real Estate (Regulation and Development) Act, 2016 (for short "the Real Estate Act"). Section 79 of the said Act reads as follows:-*

‘79. Bar of jurisdiction - No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Authority or the adjudicating officer or the Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.’

It can thus, be seen that the said provision expressly ousts the jurisdiction of the Civil Court in respect of any matter which the Real Estate Regulatory Authority, established under Subsection (1) of Section 20 or the Adjudicating Officer, appointed under Subsection (1) of Section 71, or the Real Estate Appellate Tribunal established under Section 43 of the Real Estate Act, is empowered to determine. Hence, in view of the binding dictum of the Hon'ble Supreme Court in A. Ayyaswamy (supra), the matters/disputes, which the Authorities under the Real Estate Act are empowered to decide, are non-arbitrable, notwithstanding an Arbitration Agreement between the parties to such matters, which, to a large extent, are similar to the disputes falling for resolution under the Consumer Act.

*56. Consequently, we unhesitatingly reject the arguments on behalf of the Builder and hold that an Arbitration Clause in the afore-stated kind of Agreements between the Complainants and the Builder cannot circumscribe the jurisdiction of a Consumer Fora, notwithstanding the amendments made to Section 8 of the Arbitration Act.”**

35. Similarly, in *Aftab Singh &Ors. v. Emaar MGF Land Ltd. &Ors.* (Consumer Case No. 701 of 2015, decided on 13.07.2017), it was held that arbitration clauses in builder-buyer agreements cannot oust the jurisdiction of consumer fora. The said view was later upheld by the Hon'ble Supreme Court in Civil Appeal Nos. 23512–23513 of 2017. The relevant para reads:

25. This Court in the series of judgments as noticed above considered the provisions of Consumer Protection Act, 1986 as well as Arbitration Act, 1996 and laid down that complaint under Consumer Protection Act being a special remedy, despite there being an arbitration agreement the proceedings before Consumer Forum have to go on and no error committed by Consumer Forum on rejecting the application. There is reason for not interjecting proceedings under Consumer Protection Act on the strength of an arbitration agreement by Act, 1996. The remedy under Consumer Protection Act is a remedy provided to a consumer when there is a defect in any goods or services. The complaint means any allegation in writing made by a complainant has also been explained in Section 2(c) of the Act. The remedy under the Consumer Protection Act is confined to complaint by consumer as defined under the Act for defect or deficiencies caused by a service provider, the cheap and a quick remedy has been provided to the consumer which is the object and purpose of the Act as noticed above."

36. In the present matter, there is only a clause requiring amicable discussion before invoking remedies. Such a clause is directory at best, and cannot override or defeat the statutory right of the Complainant to approach this Authority under the RE(R&D) Act. Accordingly, this Authority has no hesitation in holding that the Complainant is well within its rights to approach this forum without being first compelled to pursue an amicable settlement under the Agreement. The objection of the Respondent as to maintainability is therefore rejected.

Point No. 2: Delay in Possession

37. The Complainant has sought relief on the ground that there has been an inordinate delay in handing over possession of the subject flat, despite full payment of the total sale consideration, causing significant financial and emotional distress.

38. It is the case of the Complainant that the Agreement of Sale dated 14.03.2021 clearly stipulated that possession of the subject flat would be handed over by 31.08.2023, with a grace period of six months, ending on 29.02.2024. The Respondent has failed to hand over possession even as of February 2025. Further, although the project was registered with TG RERA up to February 2025 and later extended until 07.02.2026, the project remains incomplete, with construction progress stalled at approximately 60-70% as per the Complainant's submission, with key aspects such as interior finishing, common amenities, and supporting infrastructure remaining unfinished. The Complainant submits that the Respondent has issued multiple revised handover schedules without providing valid justification or a clear roadmap for completion.

39. The Complainant further submits that despite personal assurances from the Respondent's representative, Mr. Yerram Vijay Kumar, that possession would be delivered by

August 2023 or earlier, no such delivery has occurred. The Respondent, conversely, attributes the delay to the Covid-19 pandemic, claiming force majeure, citing the nationwide lockdown beginning March 2020, the impact on migrant labour, and consequential delays. The Respondent further cites rocky terrain at the site, third-party disputes, and typographical errors in the possession date as additional justifications.

(i) Whether the Covid-19 pandemic can be taken as a valid shield by the Respondent in the present case?

40. This Authority finds no merit in such a contention. The Agreement of Sale was executed on 14.03.2021, well after the onset and initial impact of the Covid-19 pandemic. The Respondent, being fully aware of the prevailing circumstances, nevertheless executed the Agreement by specifically assuring completion of the project by August 2023. Having consciously undertaken such commitment, the Respondent cannot now, with retrospective justification, rely on Covid-19 as a defense to escape its contractual and statutory obligations. Such conduct clearly amounts to holding out false assurances with mala fide intent.

41. It is a settled principle that once a promoter has chosen to register a project and enter into binding contractual commitments with allottees, he does so with full knowledge of the risks, constraints, and challenges of the market. At the time of entering into the Agreement of Sale with the present Complainant, the Respondent was fully aware of the Covid-related disruptions, as well as the Government notifications granting moratoriums for project completion timelines. Despite this knowledge, the Respondent chose to provide a specific assurance of delivery by August 2023.

42. This Authority aligns with the observations of the Hon'ble Bombay High Court in *Neelkamal Realtors Suburban Pvt. Ltd. & Anr. vs. Union of India & Ors.* [2017 SCC OnLine Bom 9302], wherein at para 119 it was categorically observed:

"While the proposal is submitted, the Promoter is supposed to be conscious of the consequences of getting the project registered under RERA. Having sufficient experience in the open market, the Promoter is expected to have a fair assessment of the time required for completing the project..."

43. The above dictum fortifies the principle that the promoter, being structurally at an advantageous position with respect to project information and market realities, is under a statutory duty to provide realistic timelines. The framework of the Real Estate (Regulation and

Development) Act, 2016 reinforces this obligation by mandating timely completion and possession within the period stipulated in the Agreement of Sale.

44. Therefore, the plea of Covid-19 as a force majeure defence in the present case is wholly untenable. The Respondent, having executed the Agreement of Sale in August 2021 with specific possession timelines, cannot now seek to retrospectively attribute delays to the pandemic. Accordingly, this Authority holds that the reliance on Covid-19 as a shield stands rejected.

(ii) Extension of Registration

45. The Respondent has further contended that, since extensions have been granted by this Authority, the project timeline now stands extended up to 07.02.2026, and therefore possession shall be delivered by then. The Complainant, however, has questioned the validity and effect of such extensions.

46. At the outset, it must be clarified that under the scheme of the RE(R&D) Act:

“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.”

47. The paramount objective is twofold: protection of consumer interest, and ensuring completion of projects in an efficient manner. Denial of extension during the Covid-19 disruption would have resulted in projects being stalled, to the grave prejudice of allottees. It was in this context that this Authority, balancing the equities, granted extensions in line with the notifications issued by the Telangana RERA:

1. 15.03.2020 to 14.09.2020 (Circular No.14 dated 13.05.2020),
2. 15.09.2020 to 15.03.2021 (Order No.15 dated 29.09.2020),
3. 15.03.2021 to 14.09.2021 (Order No.16 dated 01.06.2021).

48. Accordingly, an aggregate 18 months' extension was applied across projects to safeguard larger consumer interest. However, it is equally well settled that such regulatory extensions cannot dilute the contractual rights of individual allottees under their respective

Agreements of Sale, nor can they displace the statutory rights flowing from Section 18 of the RE(R&D) Act.

49. In the present matter, it is evident that the Respondent has unilaterally revised possession timelines first to February 2024, and thereafter to February 2026 due to the extension taken without consultation or consent of the Complainants. Such unilateral revisions are impermissible. The Hon'ble Bombay High Court in *Neelkamal Realtors Suburban Pvt. Ltd. vs. Union of India & Ors.* [2017 SCC OnLine Bom 9302], while upholding the constitutional validity of RERA, categorically observed:

Para 119 "The RERA does not contemplate rewriting of contract between the flat purchaser and the promoter."

Para 256 of this Judgment further clarifies that

"by giving opportunity to the promoter to prescribe fresh timeline under Section 4(2)(l)(C), he is not absolved of the liability under the agreement for sale"

50. The above dicta makes it abundantly clear that any extension granted by the Authority, or revised timelines uploaded on the TG RERA project registration portal, do not ipso facto alter or bind the allottees' contractual rights. The agreed date of possession remains as stipulated in the Agreement for Sale, and unilateral extensions by the promoter cannot be foisted upon allottees to their detriment.

51. Accordingly, this Authority holds that the revised possession dates mentioned by the Respondent, whether while seeking extensions before the Authority or as updated on the registration portal, cannot be treated as binding on the Complainants.

(iii) Relief under Section 18 of the RE(R&D) Act:

52. It is noted that the Complainant has paid the full consideration of ₹82,50,000/- as per the sale deed, while the Respondent does not dispute this payment. The Agreement clearly stipulated possession by 31.08.2023, with a grace period of 6 months to 29.02.2024. Admittedly, possession has not been delivered.

53. The Respondent's contention that 90% of the project work is complete is unsustainable in light of the Complainant's submission, supported by evidence, that the project is only 60-70% complete, with critical components such as interior finishing, common amenities, and supporting infrastructure remaining unfinished. Despite receiving the full consideration, the Respondent has failed to honour its contractual obligations. It is manifest that the Respondent gave false assurances, being fully conscious of the market situation, yet assuring dates of completion that it had no capacity to honour. More time has elapsed beyond the stipulated date, yet the project is neither complete nor possession handed over.

54. The Respondent further seeks to shift the burden on the complainant by contending that the balance amount is unpaid. This plea is untenable. The law does not permit a defaulter to take advantage of its own breach. As held by the Hon'ble Supreme Court in ***Kusheshwar Prasad Singh v. State of Bihar [Civil Appeal No. 7357 of 2000]***:

It is settled principle of law that a man cannot be permitted to take undue and unfair advantage of his own wrong to gain favourable interpretation of law. It is sound principle that he, who prevents a thing from being done shall not avail himself of the non-performance he has occasioned. To put it differently, "a wrongdoer ought not to be permitted to make a profit out of his own wrong.

55. Therefore, the contention that the complainant has not paid the total balance is rejected. A promoter in default cannot compel an allottee to keep paying indefinitely, especially when no tangible progress exists and timelines are unilaterally extended to cover its own deficiencies..

56. Now, Section 18 of the RE(R&D) Act is categorical:

(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 or 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.

57. This statutory right of allottee is unqualified and absolute. Attention is drawn to the decision of the Hon'ble Supreme Court of India in ***Civil Appeal Nos. 3581-359 of 2022, Civil***

Appeal Diary No. 9796/2019, M/s Imperia Structures Limited vs. Anil Patni & Others, wherein it was held:

"In terms of Section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received in respect of that apartment if the allottee wishes to withdraw from the project. Such a right of the allottee is 'without prejudice to any other remedy available to him'. This right is unqualified, and if availed, the deposited money must be refunded with interest as prescribed. The proviso to Section 18(1) contemplates that if the allottee does not intend to withdraw from the project, they are entitled to interest for every month of delay until possession is handed over. The allottee may proceed under Section 18(1) or the proviso thereto."

58. Similarly, in **Civil Appeal Nos. 6745-6749 of 2021, M/s Newtech Promoters and Developers Private Limited vs. State of UP & Others**, the Hon'ble Supreme Court observed:

"Section 18(1) of the Act spells out the consequences if the promoter fails to complete or is unable to give possession of an 9 of 10 apartment, plot, or building in terms of the agreement for sale. The allottee/home buyer holds an unqualified right to seek a refund of the amount with interest as prescribed."

59. Further, as earlier observed, *the Hon'ble Bombay High Court in Neelkamal Realtors Suburban Pvt. Ltd. v. Union of India [(2017) SCC Online Bom 9302]* clarified that RERA registration or its extension cannot rewrite the contract between parties. The date assured under the Agreement of Sale, executed with the allottee's consent, shall prevail. Thus, the Respondent is bound by Section 11(4)(a) of the RE(R&D)Act, which mandates adherence to the terms of the Agreement of Sale.

60. Accordingly, this Authority finds the Respondent to be in clear breach of both statutory and contractual obligations. The Complainant is entitled to relief under Section 18 of the RE(R&D)Act. Specifically, the Complainant shall be paid interest at the prescribed rate for the entire period of delay from 28.02.2024 until the actual handing over of possession. As regards compensation, jurisdiction lies with the Adjudicating Officer under Form N, and the Complainant may seek such relief separately. *Point 2 answered accordingly.*

61. This Authority cannot remain oblivious to the larger pattern of violations. It is noted with grave concern that more than fifty complaints have already been received against this very Respondent in respect of the subject project. Such repeated defaults and false assurances strike at the very root of the confidence that homebuyers are entitled to repose under the protective framework of the RE(R&D) Act.

62. The Statement of Objects and Reasons of the RE(R&D) Act explicitly emphasizes “greater accountability towards consumers and to inject transparency, efficiency, and discipline in the real estate sector”. The conduct of the Respondent herein is in gross derogation of that legislative mandate. If such violations are permitted to persist, the very soul of the Act would stand diluted and the protection promised to allottees rendered illusory.

63. Accordingly, this Authority hereby sternly warns the Respondent promoter that any further default, non-compliance, or failure to deliver possession within the assured statutory timelines or any fresh grievances brought to notice by allottees shall invite invocation of Section 63 of the RE(R&D) Act.

64. This Authority shall not hesitate to take the strictest view in future, for the Act was enacted not as a mere regulatory framework but as a beneficial legislation to protect innocent homebuyers from the very malaise exemplified by the conduct of this Respondent.

65. The Respondent is hereby directed to complete the project and hand over possession to the Complainant within the stipulated period. Given that the Complainant has paid the full consideration, there is no question of outstanding payments affecting the Respondent’s obligations.

G. Directions of the Authority:

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

- a. The preliminary objection raised by the Respondent regarding the maintainability of the complaint on account of the Dispute Resolution Clause in the Agreement of Sale stands rejected. The complaint is maintainable before this Authority.
- b. The Respondent’s reliance on the Covid-19 pandemic as a ground of force majeure is held untenable, since the Agreement of Sale was executed after the subsiding of the pandemic and with full knowledge of the prevailing circumstances.
- c. The extension of registration taken by this Respondent cannot dilute the contractual rights of the Complainant under the Agreement of Sale. The date of possession as stipulated in the Agreement shall prevail.
- d. The Respondent is held liable for failure to hand over possession of the subject flat by the agreed date i.e., 29.02.2024 (inclusive of grace period).
- e. The Complainant is entitled to interest at the rate of 10.80% per annum (being SBI MCLR + 2% as per Rule 15 of the TG RE(R&D) Rules, 2017), computed on the full amount paid (₹82,50,000/-), with effect from 01.03.2024 until actual handing over of

lawful possession. The Respondent shall pay the arrears accrued up to the date of this Order within sixty (60) days, and shall thereafter continue to pay the accruing interest on a monthly basis, on or before the 10th day of each succeeding month, until possession is delivered.

f. Insofar as compensation for undue stress, inconvenience, and financial losses is concerned, the Complainant is at liberty to pursue appropriate proceedings before the Learned Adjudicating Officer under “Form N”.

g. The Respondent is hereby directed to complete the project forthwith and hand over possession to the Complainant within the statutory timelines.

67. Having regard to the repeated defaults and the large number of complaints already pending against this Respondent in the same project, this Authority sternly warns the Respondent that any further delay, non-compliance, or grievance brought to notice by allottees shall invite section 63 of the RE(R&D) Act

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

69. As a result, the complaint is disposed of accordingly. No order as to costs.

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

Sd/-
Sri. Laxmi NaryanaJannu,
Hon'ble Member
TG RERA

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