BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 160/2025/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

Madipalle Venkata Nagachala Kishore
(Plot No. 494-498, Apt No. 506, Hardik Anmol,
Avenue 4, Kakatiya Hills, Madhapur,
Hyderabad, Telangana – 500081)

…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 file 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. It is submitted that the Complainants purchased a flat in the project "Vasavi Lake City" in 2021, based on the advertisements, personal interactions with the marketing team,

and the website information of the Respondent, which highlighted the project as a well-planned and timely development. The purchase was made with the expectation that the Respondent would deliver the flat within the promised timeframe.

4. It is stated that as per the agreed terms, the Complainant made 100% of the payment towards the flat, believing that the project was on track. The builder, Sri Vijay Kumar Yerram, had personally assured that the handover would take place by August 2023, and that possession could even be expected before the committed deadline.

5. It is contended that despite these assurances, the project faced repeated and unjustified delays and, as of February 2025, remained incomplete. The Respondent allegedly postponed the handover dates on multiple occasions, provided vague reasons, and failed to communicate a clear and firm timeline. Having already paid the maximum amount, the Complainant stated that this delay caused uncertainty and financial distress, significantly impacting plans and investments.

6. It is further submitted that as of January 2025, the project was only 60% to 70% completed, with no major work carried out thereafter. Key aspects such as interior finishing, common amenities, and supporting infrastructure remained incomplete. Despite multiple follow-ups, the Respondent allegedly failed to provide any roadmap or completion schedule, leaving the Complainant and other homebuyers frustrated and anxious. It is further submitted that the lack of visible progress and absence of proper communication have further raised doubts whether the Respondent is genuinely committed to complete the project.

7. The Complainant alleged that the continued delay in possession constitutes a violation of the provisions of the RE(R&D) Act, 2016, as the Respondent failed to deliver the project within the stipulated timeline without valid justification. By collecting 100% of the payment upfront, and failing to fulfil contractual obligations, the Respondent has allegedly breached the statutory requirements. The Complainant stated that the delay has caused financial strain, mental stress, and emotional distress, and therefore sought intervention of this Authority for urgent directions, financial compensation, and strict action against the Respondent.

B. Relief(s) Sought:

8. Accordingly, the Complainant sought the following reliefs:

i. To direct the Respondent to complete the construction and hand over possession of the flat at the earliest. Seeking immediate action to ensure that the remaining work is completed within a fixed and enforceable timeframe, failing which strict penalties should be imposed on the builder.

ii. To direct the Respondent to pay interest on the total amount paid by the Complainant from the promised possession date of August 2023 until the actual date of handover along with interest at the prescribed rate under RERA for the entire delay period.

iii. To direct the Respondent to pay compensation for the undue stress, inconvenience, and financial losses incurred as a result of the prolonged delay.

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 vide booking dated 19.01.2021, and was allotted an apartment No. W.020609 on the 6th Floor of Tower 2, admeasuring 1650 sq. ft., along with parking, for a total consideration of Rs. 49,50,000/-. The Agreement of Sale sets out the carpet area, balcony/veranda area, common area, and undivided share of land. The Complainant has paid Rs. 49,50,000/- towards the sale consideration, while the balance amount remains payable in accordance with the agreed payment schedule.

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 objection regarding maintainability is baseless, vague, and legally untenable. The present complaint has been filed strictly under the provisions of the RE(R&D) Act, 2016, seeking redressal for the inordinate delay in handing over possession of the flat booked under the registered project bearing RERA No. P02500001819. It is further submitted that the Agreement of Sale dated 23.02.2021 clearly stipulates the committed date of possession as 31.08.2023. However, as of the date of filing this complaint on 15.03.2025, possession has not been granted, and the project is only approximately 85% complete. Therefore, the application is legally maintainable before this Hon'ble Authority, and the preliminary objection deserves to be rejected outright.

19. It is further submitted that all relevant evidence, including the Minutes of Meetings and Form-M, have already been produced in support of the claim. The Complainant has made repeated attempts through all possible means to contact the builder, and therefore the objection regarding alternate remedies has no merit.

20. It is submitted that RERA does not mandate the issuance of a legal notice as a precondition for filing a complaint. Moreover, the issue of delay was repeatedly raised during several in-person meetings organized by the Respondent, where the Respondent themselves assured new timelines. Therefore, the Respondent was fully aware of the grievance and cannot now claim otherwise.

21. It is submitted that there is no dispute regarding the lawful rights obtained by the Respondent from the landowners, the permissions secured for conversion and building, and the project registration with this Authority. The Complainant does not dispute these facts.

22. It is stated that as per the RE(R&D) Act, 2016, the Agreement for Sale is the governing document. The committed date of possession clearly stated in the Agreement of Sale is 31.08.2023. The booking date only evidences the buyer's commitment but does not alter the Respondent's obligation.

23. It is further submitted that as per the Agreement of Sale dated 23.02.2021, possession was committed by 31.08.2023. Even with the 6-month grace period, the Respondent has exceeded the timeline as of the date of filing this complaint. While construction progress may have been reported to the authorities, the fact remains that possession has not been delivered and the project is only about 85% complete. The reference to amenities is irrelevant to the core issue, namely the delay in handing over possession.

24. It is submitted that the Complainant has already paid 100% of the consideration as per Schedule-C, and the balance amount is payable only at the stage of registration, which has not yet taken place.

25. It is further submitted that Clause 5 of the Agreement confirms the promoter's obligation to abide by the time schedule and Clause 7.1 explicitly states that timely delivery is the essence of the contract. If the Respondent seeks to rely on COVID-19 as force majeure, the Agreement of Sale dated 23.02.2021 was executed after the first wave, when the Respondent was fully aware of its impact. Therefore, only a limited extension of six months may apply, but not beyond that.

26. It is submitted that Clause 7.2 requires that possession be formally offered after obtaining the Occupancy Certificate. As of the complaint date, no Occupancy Certificate has been secured, nor any written offer made. The Respondent is in continuing breach of Clause 7.1, as the extended timeline even accounting for grace and force majeure (August 2024) has expired. Clause 9 further defines promoter default, which clearly applies in the present case.

27. It is further submitted that the allegation that the complaint is filed with ulterior motive is baseless and unfounded. The Complainant has approached this Hon'ble Authority with clean hands, placing all material documents including the Agreement for Sale, payment proofs, and Minutes of Meetings. The Respondent has failed to fulfil the fundamental obligation to deliver possession on time. The vague allegation of suppression is therefore denied in toto.

28. It is submitted that while COVID-19 was a public health emergency, the Agreement of Sale was executed after the pandemic began, with full awareness of its consequences. Despite this, the Respondent committed to a specific possession date. Therefore, COVID-19 cannot now be used as an excuse for indefinite delay, beyond the six months' extension permissible.

29. It is further submitted that the reliance placed on the Hon'ble Supreme Court's extension of limitation periods is misconceived and irrelevant. Those directions related to computation of limitation for filing proceedings and do not alter contractual obligations under RERA. The Respondent entered into the Agreement of Sale on 23.02.2021 with full knowledge of the COVID-19 situation and yet committed to deliver possession by 31.08.2023. The Respondent never cited the pandemic in earlier communications and instead attributed delay to funding and legal disputes. Hence, the present reliance on limitation orders is an afterthought and must be rejected.

30. It is further submitted that the vague reference to "additional factors" affecting construction is unsupported by any evidence. No documentary proof has been produced showing specific reasons for delay or revised timelines. Mere verbal assurances in meetings cannot substitute statutory obligations under RERA. The Respondent themselves cited funding and legal issues during meetings, not unidentified "other factors." Accordingly, the vague plea of additional reasons must be rejected.

31. It is submitted that the Respondent's attempt to treat the possession date of 31.08.2023 as a "clerical or typographical error" is wholly untenable. This date appears consistently in the Agreement of Sale, including in Clause 7.1, and reflects a deliberate contractual commitment. If there was indeed an error, the Respondent ought to have executed a rectification deed or amendment, which was never done. The claim of typographical mistake is therefore an afterthought and cannot defeat the Complainant's rights.

32. It is further submitted that the suggestion that the complaint is baseless and intended to harass the builder is denied. The complaint rests squarely on documentary evidence, including the Agreement of Sale and payment proofs. The extension of the project's RERA registration until 2026 does not override the Respondent's individual contractual obligations to deliver possession by 31st August 2023. RERA registration timelines relate to the life of the project, not specific contractual delivery dates.

33. It is submitted that the reference to third-party disputes is also not a valid justification. The Respondent only disclosed such disputes belatedly in January 2025, long after the committed possession date and the grace period had expired. The Respondent failed to notify the Complainant in a timely manner or to obtain specific extensions based on these disputes. Hence, reliance on such proceedings cannot absolve them of liability for delay.

34. It is further submitted that while the Respondent communicated certain updates during meetings and general correspondence, such informal updates cannot override the binding possession date in the Agreement of Sale. As of the date of filing the complaint, no Occupancy Certificate has been issued and possession has not been offered. Interest for delay is a statutory entitlement under Section 18 of RERA.

35. It is submitted that the denial of interest on the ground of force majeure is contrary to law. The Respondent voluntarily executed the Agreement during the pandemic period, committing to a timeline with knowledge of prevailing conditions. Having failed to deliver within that timeframe, the Respondent is liable to pay interest for delay as mandated by law.

36. It is further submitted that compensation for hardship and inconvenience is also justified in addition to statutory interest. The delay has caused real disruption in financial planning, created uncertainty, and imposed logistical difficulties on the Complainant. These are genuine consequences of the Respondent's breach and not arbitrary claims.

37. It is submitted that the Respondent's assurance that the project will be completed by February 2026 does not mitigate their liability. The Complainant has already paid the contracted amounts as per Schedule-C, and the remaining amount is due only at the time of registration, which has not yet occurred. As of March 2025, no formal demand or offer of possession has been made. Therefore, statutory interest for delay remains payable until actual possession is handed over.

38. It is further submitted that the new explanation regarding rocky terrain and excavation challenges is also untenable. This was never cited earlier in any communications with allottees and cannot now be raised as an unforeseen obstacle. Site conditions are the developer's responsibility and are expected to be considered before committing delivery timelines. Hence, this belated justification deserves no consideration.

39. It is submitted that the repeated general denial by the Respondent that delays were "beyond their control" is vague and unsubstantiated. The Respondent has failed to show any specific force majeure event post the execution of the Agreement that justifies a delay beyond August 2024 (considering both the contractual commitment, grace period, and limited force

majeure extension). As of today, possession is still not delivered, and the project remains incomplete.

40. It is further submitted that the Respondent's characterization of the complaint as "preposterous" is strongly objected to. The Complainant has approached this Hon'ble Authority lawfully, seeking only statutory and contractual relief for delay. The reputation or claimed efforts of the Respondent cannot override the Complainant's rights.

41. In view of the above submissions, it is respectfully prayed that this Hon'ble Authority may be pleased to direct the Respondent to pay interest for delay in handing over possession and pass any other appropriate orders in the interest of justice and equity.

E. Points for Consideration:

42. 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:

Point 1:

43. 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.

44. The Authority finds this objection untenable for the following reasons:

45. 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 ot 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, falling which the same shall be settled through adjudication officer appointed under the Act.*

46. 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.

47 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.

48. 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.

49. 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 Sub-section (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."**

50. 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, L986 os 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 ercor committed by Consumer Forum on rejecting the application. There is reason for not interjecting proceedings under Consumer Protection Act on the strength 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."*

51. 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:

52 . The Complainant has sought relief on the ground that there has been an inordinate delay in handing over of possession of the subject flat.

53. It is the case of the Complainant that the Agreement of Sale dated 23.02.2021, executed between the parties, 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 28.02.2024. Despite paying the entire sale consideration amount, the Respondent has failed to hand over

possession even as on date. Further, although the project was registered with TG RERA up to February 2025 and later extended until 07.02.2026, the project remains incomplete.

The Complainant submits that the Respondent has repeatedly given false assurances of completion, while allottees continue to suffer. 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.

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

57. This Authority finds no merit in such a contention. The Agreement of Sale was admittedly executed on 23-02-2021, much after the onset and near subsiding of the Covid-19 pandemic. The Respondent, being fully aware of the prevailing global 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.

58. 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 already 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.

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…".*

59. 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.

60. 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 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

61 The Respondent has further contended that, since extensions have been granted by this Authority, the project timeline now stands extended up to February 2026, and therefore possession shall be delivered by then. The Complainants, however, have questioned the validity and effect of such extensions. At the outset, it must be clarified that under the scheme of the RE(R&D) Act:

62. *"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."*

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 moratoriums issued by 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).

63. 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.

64. 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"*

65. 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.

66. 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:

67. It is noted that the Complainant has paid the entire sale consideration diligently and without any default. However, despite having received substantial sums, the Respondent has failed to hand over possession of the allotted unit.

68. As per the terms of the Agreement of Sale, possession was to be delivered by 31.08.2023, with a grace period extending until 29.02.2024. Admittedly, possession has not been delivered within the said period.

69. This clearly establishes that the Respondent has failed to honour its contractual obligations. The conduct of the Respondent indicates a pattern of false assurances, despite being fully aware of its inability to meet the timelines promised under the Agreement. The project remains incomplete even after the expiry of the stipulated date of delivery.

70. Under Section 18 of the Real Estate (Regulation and Development) Act, 2016, the liability of the promoter in such situations 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.*

71. 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."*

72. 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."*

73. 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.

74. Thus, in the present case, the Authority finds the Respondent in clear breach of both contractual and statutory obligations. Accordingly, the Complainant is entitled to interest at the prescribed rate from 01.03.2024 (i.e., post grace period) till actual possession is handed over.

75. As regards the prayer for compensation, this Authority notes that such claims fall within the jurisdiction of the Adjudicating Officer under Section 71, for which the Complainant is at liberty to pursue a separate application in Form 'N'.

76. 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.

77. 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.

78. 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.

79. This Authority shall not hesitate to take the strictest view in future, for the RE(R&D) 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.

G. Directions of the Authority:

80. 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., 28.02.2024 (inclusive of grace period).
e. The Complainants are entitled to interest at the rate of 10.85% per annum (being SBI MCLR + 2% as per Rule 15 of the TG RE(R&D) Rules, 2017), computed on the amounts paid, 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 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 Complainants within the statutory timelines.

81. 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.

82. The complaint is accordingly allowed in part, in terms of the above directions.

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

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

Sd/-	**Sd/-**	**Sd/-**
Sri. K. Srinivas Rao,	**Sri. Laxmi NaryanaJannu,**	**Dr. N. Satyanarayana, IAS (Retd.),**
Hon'ble Member	**Hon'ble Member**	**Hon'ble Chairperson**
TG RERA	**TG RERA**	**TG RERA**