

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

Complaint No. 316 of 2024

28th of May, 2025

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

Srinivasu Kilaru
Villa No. 23, Lanco Hanging Gardens,
Janmabhoomi Colony, Manikonda,
Hyderabad, Telangana – 500089

...Complainant

Versus

M/s Sriven Avenues Pvt. Ltd
Having its office at
H.No.1-88/5/A, Plot No 274, Kavuri Hills,
Guttala Begumpet, Serilingampally Mandal,
Madhapur, Hyderabad, Telangana, India-500081

Represented by its directors:

Mr. Murali Mohan Chaparala
Mr. Tirumal Rao Tadia
Mr. Ravinder Reddy Bommirneddy
Mr. Ujwal Reddy Siddammreddy

...Respondents

The present matter filed by the Complainant mentioned herein above came up for final hearing on 22.04.2025 before this Authority in the presence of the Complainant and his counsel in person, and counsel for the Respondent, and upon hearing the submissions of both the parties, this Authority proceeds to pass the following **ORDER:**

2. This Complaint has been filed under Section 31 of the Real Estate (Regulation and 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 action against the Respondents.

A. Brief facts of the case:

3. The Complainant, Mr. Srinivasu Kilaru, purchased Villa No. 33 admeasuring 5,085 square feet along with a car parking space situated in Plot No. 33 of the "IRIS" project developed by Sriven Avenues Private Limited. The purchase was made through a registered Sale Deed (Document No. 15198/2021) dated 15.11.2021, for a total sale consideration of ₹2,50,00,000. As per the Complainant, the developer had verbally assured that possession of the villa would be delivered by March 2022. However, despite the lapse of nearly three years, possession has not been handed over.
4. He alleged that the Respondents failed to complete the villa and the promised common amenities, including the clubhouse, parks, landscaping, and play areas, resulting in considerable inconvenience and devaluation of the property. Furthermore, Villa No. 33 has allegedly been misused by the Respondents as a storage area, staff quarters, and office setup. A formal letter dated 15.11.2024 was issued by the Complainant, requesting the Respondents to vacate the premises and remove the unauthorized materials, but no action was taken.
5. These prolonged delays and unauthorized usage have caused significant financial strain and emotional distress to the Complainant, including the burden of continued EMI payments and the denial of rightful possession and enjoyment of the property.

B. Relief sought:

6. In light of the aforementioned facts, the Complainant has prayed for the following reliefs before the Authority:
 - i. Directing the Respondents to hand over Villa No. 33 in a clean and vacant condition by removing all stored materials, office setups, and staff accommodations within seven (7) days or within such reasonable time as determined by the Authority.
 - ii. Directing the Respondents to complete all pending construction works in the villa and the common amenities of the project, including the clubhouse, parks, landscaping, and play areas, within a timeframe deemed appropriate and justified by the Authority.
 - iii. Awarding compensation for financial losses incurred due to the inordinate delay, including interest on the invested amount and reimbursement of EMI payments, with the quantum to be assessed and determined by the Authority based on the facts of the case.
 - iv. Awarding additional compensation for the unauthorized use of the property and for the

mental and emotional distress caused to the Complainant, as deemed appropriate and fair by the Authority.

C. Interim Relief:

7. Additionally, the Complainant has sought the following interim relief pending final adjudication- A direction to the Respondents to immediately clear all unauthorized stored materials and staff setups from Villa No. 33 and hand over the premises in a clean and vacant condition within seven (7) days or within such reasonable period as the Authority may determine.

D. Counter filed by the Respondent:

8. The Respondents, through one of their Directors, B. Ravinder Reddy, have submitted a detailed counter to the complaint filed by the Complainant. The main contentions raised by the Respondents are as follows:

- i. The Respondents admitted that Villa No. 33 was sold to the Complainant through a registered Sale Deed dated 15.11.2021 for a consideration of ₹2,50,00,000. However, they clarified that the sale was made on an “as-is-where-is” basis and in a *semi-finished* condition. This, according to them, is evident from the Sale Deed itself.
- ii. After execution of the Sale Deed, the Complainant allegedly requested that the villa be completed and handed over in a *fully finished* condition. The Respondents agreed to this request in good faith, subject to the Complainant paying an additional amount of ₹1,00,00,000 for the completion works.
- iii. They claimed that, as security against the additional payment of ₹1,00,00,000, the Complainant executed five (5) Agreements for Sale in their favour for certain plots in Sy. No. 296 at Dhakamari Village, Bheemunipatnam Mandal, Visakhapatnam District, Andhra Pradesh. These agreements, they alleged, were omitted and concealed by the Complainant in his complaint and legal notices.
- iv. The Respondents stated that the villa has already been completed into a fully finished state as per the oral understanding between them and the Complainant, but the Complainant has failed to pay the agreed additional amount and that, the Complainant cannot demand delivery of a fully finished villa without fulfilling his part of the agreement.

- v. They denied using the villa as a storage or staff accommodation area and contended that any materials present in the villa are leftover construction materials required for the villa's completion.
- vi. They alleged that the Complainant filed the present complaint with the ulterior motive of evading payment of the ₹1,00,00,000 and extracting further services without compensation.
- vii. Despite the dispute, the Respondents stated that they are ready and willing to hand over possession of the villa, but only upon receipt of the additional ₹1,00,00,000 due for the completion of the construction.

E. Rejoinder by the Complainant:

9. In his rejoinder, the Complainant, Mr. Srinivasu Kilaru, firmly refuted the Respondents' claim that the villa was sold on an "as-is-where-is" basis in a semi-finished condition. He submitted that the Sale Deed, though it mentions the semi-finished state of the Villa, it was executed for a total consideration of ₹2,50,00,000, which was the agreed price for a fully finished villa. The Complainant emphasized that the entire consideration has already been paid - partly through cheques and partly through a housing loan from Tata Capital Housing Finance Ltd. and therefore, no additional amount is payable. He invoked the principle of *contra proferentem*, arguing that the Respondents, being professional developers and the authors of the Sale Deed, cannot now use the "semi-finished" clause to their advantage.

10. The Complainant strongly denied having entered into any understanding or having executed any Agreements for Sale in favour of the Respondents as security for additional payment. He questioned the authenticity and legality of these documents, pointing out that they are undated and not linked to the transaction for Villa No. 33. Furthermore, he submitted that several construction works remain incomplete, including flooring, finishing, plumbing, electricals, and painting, among others. He submitted that the Respondents have failed to perform their contractual obligations and have instead sought to falsely claim additional amounts to avoid delivering possession.

F. Points to be determined:

11. After considering the facts stated and submissions made by both the parties, the following question rises before this Authority:

- I. Whether the Complainant is entitled to the relief sought? If so, to what extent?

G. Observations of the Authority:

Upon perusal of the facts stated, documents produced, submissions and arguments made by both the parties, this Authority makes the following observations:

Point I

12. The present complaint concerns the claim of the Complainant, Mr. Srinivasu Kilaru, for possession of Villa No. 33 in the IRIS project developed by Sriven Avenues Pvt. Ltd., along with a prayer for completion of pending works and compensation for financial loss and emotional distress due to delayed possession. The Authority has perused the pleadings, rejoinder, reply affidavit, and all documentary evidence filed by both parties.

13. It is an admitted fact before us that the Complainant purchased Villa No. 33 through a registered Sale Deed dated 15.11.2021 (Document No. 15198/2021), for a total consideration of ₹2,50,00,000. The said registered Sale Deed, which forms the foundation of the transaction, clearly describes the villa as being in a *semi-finished* condition. There is no clause or representation in the registered Sale Deed that obligates the Respondents to deliver the villa in a fully finished or ready to occupy condition.

14. In this context, the doctrine of *contra proferentem* invoked by the Complainant has limited applicability, as the contract was executed and registered by mutual consent, and the Complainant had the opportunity to scrutinize the terms at the time of its execution. The doctrine of *contra proferentem* applies only when the terms of a written contract are ambiguous. It is a well-established principle that in cases of such ambiguity, according to the said doctrine, the contract will be interpreted against the party that drafted it or in favour of the party who had no opportunity to draft the document. But here in the instant case where a registered sale deed clearly stipulates the condition of the property, and the term “semi-finished” is clear and unambiguous, the doctrine of *contra proferentem* cannot be invoked to rewrite the terms of the agreement or relieve the vendee of the consequences of his conscious decision.

15. The fact that the term "*semi-finished*" was prominently mentioned in the contract, in bold and reiterated at different places within the document depicts with the vendor's intention as well as clarity concerning the contractual condition. No claim of ignorance or misconception on the part of the complainant can stand in this context. The maxim *caveat emptor* squarely

applies, and the complainant cannot now deny the explicit terms of the registered Sale Deed.

16. Now, coming to the aspect of completion of the pending works, the Respondents have contended that there existed a supplementary oral understanding, whereby the Complainant agreed to pay an additional sum of ₹1,00,00,000 for the completion of the villa in a *fully finished* state and, in pursuance of the said understanding, the Respondents undertook additional construction works in the said villa. However, existence of any such understanding for payment of additional Rs. 1,00,00,000/- for completion has been denied by the Complainant. Moreover, the Respondents have failed to produce any written document in the nature of a supplementary construction agreement that evidences such an understanding before this Authority.

17. In matters concerning immovable property and obligations arising from contractual relationships, especially under the framework of the Real Estate (Regulation and Development) Act, 2016, oral agreements or unsubstantiated claims cannot displace or override the express terms of a registered instrument. The burden of proving the existence of a separate binding obligation rests heavily on the party asserting it (the respondent herein), and in the absence of any credible documentary evidence, such claims cannot be sustained.

18. Additionally, the Respondents have relied upon five Agreements for Sale executed by the Complainant in their favour for plots located in Survey No. 296, Dhakamari Village, Visakhapatnam District, purportedly as security for the aforementioned additional consideration. However, a plain reading of these agreements reveals that they are entirely unconnected to the sale or construction of Villa No. 33. The agreements are undated, unrelated in subject matter, and do not mention the IRIS project or the villa in question.

19. In view of this, the Authority finds no nexus between the said agreements and the present transaction. The invocation of these agreements appears to be an afterthought, not supported by contemporaneous records.

20. Furthermore, this Authority acknowledges that the Complainant has a legitimate grievance in respect of possession. Section 18(1)(a) of the RERA Act, 2016, applies to the facts of the case. It provides as follows:

"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, he shall be liable on demand to the allottee, 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, with interest... or, in case the allottee does not intend to withdraw, to pay interest for every month of delay, till the handing over of the possession.”

21. While the Sale Deed in this case replaces the usual agreement for sale, and does not stipulate a specific possession date except the oral promise by the Respondents to hand over the villa by March 2022, the Respondents’ conduct in continuing to retain possession of the villa after full consideration was received is clearly in breach of the Complainant's right to enjoyment of the property. The use of the villa for storage, staff accommodation, or office purposes by the Respondents after completion of the sale constitutes unauthorized occupation, in contravention of the Complainant’s rights. The respondents during the course of the proceedings submitted that they would vacate the said villa immediately however, no action was taken by them towards the same.

22. Hence, this Authority is of the view that the Complainant is entitled to relief, to the extent of being delivered possession of Villa No. 33 in a clean and vacant state, free from any obstruction or encroachment by the Respondents or their agents. The prayer for completion of pending internal works or common amenities cannot be entertained, as the contractual obligation of the Respondents was limited to transferring a *semi-finished villa*, which has been acknowledged in the Registered Sale Deed.

23. In the absence of any supplementary agreement providing for additional construction this Authority cannot adjudicate upon the completion of pending works. However, the prolonged retention of possession by the Respondents, coupled with the denial of use and enjoyment of the property to the Complainant despite receipt of the entire sale consideration, warrants appropriate redress. The Complainant sought for compensation in his relief. He may approach the Adjudicating Officer for seeking compensation under Form ‘N’.

24. Therefore, the Authority holds that the Respondents are duty-bound to immediately vacate the villa and hand over physical possession to the Complainant within a period of fifteen (15) days from the date of this order. Any delay beyond this period shall attract interest at the rate prescribed under Section 18(1)(a) of the RE(R&D) Act, 2016 until possession is delivered. Accordingly, Point I is answered in affirmative, the complainant is entitled to the relief sought

as per Section 18(1)a of the Act, to the extent of obtaining clean and vacant possession of the subject villa.

H. Directions of the Authority:

25. In the light of the facts stated, issues raised, documents produced, and aforementioned observations made, this Authority proceeds to issue the following directions vide its powers under section 37 of the RE(R&D) Act, 2016:

- i. The Respondent, M/s Sriven Avenues Pvt. Ltd., is hereby directed to vacate the villa, duly removing all the construction materials or any other belongings stored by the Respondents and to hand over peaceful, clean, vacant and unobstructed possession of Villa No. 33, situated in the IRIS Project, to the Complainant, Mr. Srinivasu Kilaru, within a period of fifteen (15) days from the date of this order.
- ii. The Respondents shall file a compliance report before this Authority within twenty-one (21) days from the date of this order, confirming that possession has been duly handed over in accordance with these directions, failing which penalty shall be imposed on the Respondent in accordance with Section 61 of RE (R&D) Act, 2016.
- iii. In view of the above, the present complaint stands disposed of.

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

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

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