

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 57 of 2025

Dated: 5th May, 2026

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

Vijay Kumar Pasumarti
Flat 510, Bhuvi Residency,
Inside Praneeth Pranav,
Beside Dr. Reddy Laboratory Pvt. Ltd.,
Bachupally 500090

...Complainant

AND

SVS Square Spaces LLP Represented by Partners

1. Mr. Nadella Venkata Rao
D.No 1-57/4,5(P), 26(P),27/C,
2nd Floor, SBI Building,
Sriram Nagar, Kondapur,
Hyderabad, Telangana 500084

2. Mr. Vijaya Bhaskar Rao Pallempti
D.No 1-57/4,5(P), 26(P),27/C,
2nd Floor, SBI Building,
Sriram Nagar, Kondapur,
Hyderabad, Telangana

...Respondents

The present matter filed by the Complainant mentioned herein-above came up for hearing on 20.03.2025 before this Authority in the presence of the Complainant, and the Respondent. Upon hearing the submissions of all the parties, this Authority proceeds to pass the following **ORDER:**

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

A. Brief facts of the case as per the Form M filed by the Complainant:

3. The present complaint is filed by the Complainant seeking directions to the Respondent Promoter, M/s SVS Square Spaces LLP, to rectify structural defects and workmanship issues, specifically regarding water seepage and leakages, in the residential project known as “Bhuvi Residency” situated at Bachupally, Medchal–Malkajgiri District.

4. The case of the Complainant is that he had entered into an Agreement of Sale dated 14.11.2022 for the purchase of Flat No. 510, admeasuring 1,555 sq. ft., for a total sale consideration of ₹48,64,000/-. It is averred that despite the project being registered with this Authority (Registration No. P02200002830) and the Complainant having paid the agreed consideration and taken possession, the Respondent initially failed to execute the registered sale deed. It is further stated that upon issuance of a legal notice, the Respondent cited internal changes in the constitution of the LLP and the exit of a designated partner as reasons for the delay, causing undue hardship and uncertainty to the Complainant.

5. It is the case of the Complainant that during the initial weeks of occupation, severe structural and construction-related defects surfaced. The Complainant averred that water was dripping from the ceiling of the bathrooms in the flat situated directly below (Flat No. 401), originating from the subject unit. Furthermore, the Complainant alleged significant water ingress from the terrace into the children’s bedroom and guest bedroom, causing the rusting of window grills and persistent dampness. It is further contended that despite repeated communications via email and WhatsApp, the Respondent failed to provide a permanent resolution, compelling the Complainant to engage private technicians for temporary repairs which proved ineffective.

6. The Complainant further averred that the Respondent adopted a discriminatory and high-handed approach by ignoring his grievances while resolving issues for other residents. It is alleged that the Respondent intentionally targeted the Complainant for refusing to pay maintenance charges until the completion of registration and the rectification of defects. Furthermore, the Complainant stated that the "Bhuvi Cultural Association" was formed under the influence of the previous management in a manner that disregarded the Complainant’s legitimate concerns.

7. It is further submitted that although the Sale Deed was eventually executed on 31.08.2024, the structural defects worsened, leading to significant wall cracks in all three bathrooms and health issues for the occupants due to the moisture-laden environment. The

Complainant relied upon an inspection and thermal scanning report from M/s Urbanroof Pvt. Ltd., which confirmed deep-seated seepage and plumbing defects, recommending professional-grade waterproofing and relaying of the terrace flooring to prevent further structural deterioration.

B. Reliefs Sought

8. Accordingly, the Complainant sought the following reliefs:

- i. To issue orders to the Promoters for immediate rectification of the water leakage issues from the terrace into the subject flat.
- ii. The Complainant has further sought directions to the Promoter for rectification of the alleged water leakage from Flat No. 510 into the bathrooms of Flat No. 410 situated below.
- iii. The Complainant has also sought directions to the Promoter to repair and rectify the wall cracks developed in the subject flat.
- iv. The Complainant further seeks permanent rectification of the aforesaid defects instead of temporary repair works.

C. Counter Affidavit Filed by the Respondent

9. It is submitted that the Respondent has denied the allegations of structural defects and contends that the issues raised by the Complainant, particularly relating to cracks and seepage, are routine occurrences in civil constructions and do not amount to structural deficiencies.

10. It is further submitted that the alleged cracks in the subject flat are only hairline cracks arising due to normal settlement and usage of the building, and do not constitute structural damage. Nevertheless, the Respondent has expressed willingness to undertake external crack-filling works wherever seepage is observed.

11. It is submitted that, with regard to the complaint relating to epoxy grouting in the bathrooms, proper grouting work was carried out at the time of construction, and any deterioration occurring subsequently is attributable to normal wear and tear arising from usage. The Respondent therefore denies liability for further rectification under this head.

12. It is further submitted that adequate waterproofing measures were undertaken during construction in accordance with standard engineering practices, and the Respondent has denied the allegation of slab leakage. The Respondent contends that the demand for additional damp-proof painting and related works does not fall within the scope of its obligations and that the grievances raised by the Complainant pertain only to normal maintenance issues and not to any defect warranting intervention under the provisions of the Act.

D. Rejoinder Filed by the Complainant.

13. In response to the counter-affidavit, the Complainant filed a rejoinder-affidavit categorically denying the Respondent's claim that the issues are minor maintenance matters. The Complainant averred that the persistence of water leakages from the terrace into the bedrooms and the development of significant wall cracks are clear indicators of structural failures and poor workmanship. It is further contended that the Respondent's attempt to characterize these as "routine maintenance" is a tactic to evade the mandatory five-year defect liability period prescribed under Section 14(3) of the Act.

14. The Complainant further clarified that the withholding of maintenance charges was not a willful default, but a necessary protest against the Respondent's failure to execute the sale deed and rectify structural defects. It is averred that the Respondent cannot use the excuse of internal management changes in the LLP to avoid its statutory obligations toward the allottee. The Complainant reiterated that the findings of the professional inspection report from M/s Urbanroof Pvt. Ltd. clearly establish that the defects are deep-seated and require professional-grade rectification rather than cosmetic repairs.

15. The Complainant further denied the Respondent's assertion that the project was handed over to the total satisfaction of the allottees. It is averred that while physical possession was taken out of necessity to avoid further financial loss, the same does not constitute an acceptance of the structural defects or a waiver of the statutory rights provided under the Act. The Complainant emphasized that the defects were latent and manifested only after a few weeks of occupation, particularly during the rainy season, thereby making it impossible to identify them at the time of initial possession.

16. In response to the Respondent's claim regarding the legality of the project, the Complainant reiterated that since the Agreement of Sale was executed in November 2022, well after the RERA registration was obtained in April 2021—the Respondent is strictly bound by the representations made in the registered prospectus and the sanctioned plans. The Complainant further submitted that the "Bhuvi Cultural Association" was formed as a tool to facilitate the Respondent's exit from the project without fulfilling the mandatory obligation of providing a leak-proof structure, and as such, the Respondent's attempt to shift the blame onto the Association is legally untenable.

17. The Complainant further averred that the water leakages from the terrace commenced within the first six months of occupation, clearly signifying inherent defects in construction and waterproofing which cannot be characterized as routine occurrences in civil works. It is the case of the Complainant that the presence of water penetrating through ceilings and thermocol sheets during rainy periods contradicts the Respondent's claim that the defects are merely "hairline cracks." The Complainant contended that the recurrence of seepage shortly after temporary crack-filling works undertaken by the Respondent's representatives proves that the remedial measures were superficial and failed to provide a permanent resolution as mandated under the Act.

18. Regarding the inter-flat leakages, the Complainant submitted that seepage from Flat No. 510 into the bathrooms of Flat No. 401 manifested within three months of occupation, highlighting a systemic failure in the waterproofing and epoxy grouting during the construction phase. The Complainant rebutted the Respondent's assertion of wear and tear, stating that such rapid deterioration in a newly occupied flat is indicative of construction deficiency. It is further averred that similar issues are prevalent in several other units within the project, demonstrating that the defects are not isolated incidents but are structural in nature.

19. The Complainant further stated that while he undertook certain temporary repairs at personal expense to mitigate damage and maintain neighborly relations, such actions do not absolve the Respondent of its statutory liability. It is alleged that the Respondent's representatives explicitly refused further repairs to avoid setting a precedent for other flat owners, an approach the Complainant contends is untenable and contrary to the obligations cast upon a Promoter. The Complainant averred that the Respondent's neglect persisted

despite repeated communications via email and WhatsApp, and even after the residents' association sought rectification of "pending structural issues."

20. The Complainant concluded by highlighting the human cost of the Respondent's inaction, stating that the continuous dampness and seepage have caused health-related issues for family members, including a senior citizen and a person with special needs. In view of these circumstances, the Complainant reiterated the demand for immediate and permanent rectification of the terrace, waterproofing, and internal wall cracks, alongside the restoration and repainting of the affected portions of the flat, in strict accordance with the findings of the professional inspection reports placed on record.

21. In view of the above, the Complainant reiterates that the defects complained of are structural and construction-related in nature and seeks directions against the Respondent for immediate and permanent rectification of the defects, including waterproofing, grouting, crack rectification, repainting, terrace repairs, and allied remedial works in accordance with the inspection reports and quotations submitted before this Authority.

E. Points for Consideration

22. After deliberation on the facts and circumstances of the present case and the documents filed in this behalf, following issue sprout for consideration is whether the Complainant is entitled to the relief(s) as prayer for? If yes, to what extent?

F. Observations of the Authority

23. This Authority has carefully considered the pleadings, material available on record, including the Agreement of Sale, Sale Deed, and the Thermal Scanning Reports and the submissions made by the respective parties. The undisputed position that emerges from the record is that the Complainant is an allottee who has paid the sale consideration, entered into a registered Sale Deed dated 31.08.2024, and is presently in possession of the subject flat. The principal issue, however, pertains to defective workmanship and structural failures, specifically regarding severe water leakages and seepage which have manifested within the statutory defect liability period.

24. At the outset, this Authority deems it necessary to reiterate that the obligations of a Promoter under the Real Estate (Regulation and Development) Act, 2016 are statutory in nature and cannot be diluted. Section 11(4)(a) mandates completion of the project in accordance with sanctioned plans and the Agreement for Sale. Furthermore, Section 14 casts

a duty to adhere to sanctioned specifications. Most crucially, Section 14(3) of the Act imposes a mandatory five-year defect liability period from the date of handing over possession, specifically for structural defects or any other defect in workmanship. These provisions, read together, make it abundantly clear that the completion of a project is not limited to the mere execution of a sale deed or handing over of possession, but extends to the delivery of a project that is structurally sound, safe, and free from any workmanship defects.

25. In the present case, it is pertinent to note that Respondent No. 1 obtained an Occupation Certificate 21.01.2023. The Agreement of Sale in favor of the Complainant was executed on 14.11.2022 and the subsequent Sale Deed executed on 31.08.2024. Under section 14(3) of the Real Estate (Regulation and Development) Act, 2016, the defect liability period begins from the date of handing over possession. In the present case the Complainant has specifically brought to the notice of this Authority the defective workmanship of the terrace flooring and the inadequate waterproofing course, which has resulted in persistent water leakages into the floor below.

26. For the purpose of assessing the liability of the Respondent, it is necessary to refer to Section 14(3) of the Real Estate (Regulation and Development) Act, 2016, which is reproduced herein:

“In case any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale relating to such development is brought to the notice of the promoter within a period of five years by the allottee from the date of handing over possession, it shall be the duty of the promoter to rectify such defects without further charge, within thirty days, and in the event of promoter's failure to rectify such defects within such time, the aggrieved allottees shall be entitled to receive appropriate compensation in the manner as provided under this Act.”

27. With regard to the specific nature of the defects, this Authority finds that the water leakages stemming from the terrace into the below floor constitute a clear instance of defective workmanship of the terrace flooring and an inadequate waterproofing course. It is the bounden duty of the Developer to ensure that the building's envelope remains watertight. Therefore, the Respondent is liable to relay the flooring and provide comprehensive waterproof treatment to resolve the water seepage.

28. This Authority takes note of the fact that the subject flat has been handed over and is currently in the active possession and occupation of the allottee. Minor seepage issues or leaks within individual toilets post-occupation generally fall under the ambit of routine

maintenance. Consequently, the responsibility for internal repairs, such as epoxy treatment for tiles or grout filling within the unit's toilets, lies with the Complainant.

G. Directions of the Authority:

29. In light of the foregoing observations, this Authority proceeds to pass the following directions:

- a. The Respondent is hereby directed to attend to the water leakages and seepage issues manifesting from the terrace area into the unit below. This shall include relaying the terrace flooring and executing a comprehensive waterproof treatment in accordance with standard engineering practices to ensure a permanent resolution.
- b. Without prejudice to the generality of the above, the Respondent shall, within a period of 60 (sixty) days from the date of receipt of this Order:
 - i) Complete all necessary waterproofing works on the terrace as mentioned in direction (a) above;
 - ii) Ensure that the said waterproofing treatment is certified by a qualified waterproofing consultant for a minimum period of 5 (five) years, and a copy of such certification shall be provided to the Complainant.

30. The Complaint is accordingly disposed of with the above directions. No order as to costs.

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

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

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