

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 628 of 2025

Dated: 25th August 2026

Quorum:

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

Bhargav Mangavalli

Pavani Jyothi Chunduri

*(Plot 129, Vani Nilayam 9,
First Floor, Road No.3,
Vasanth Nagar Main Road,
KPHB 9th Phase, Hyd 500049)*

...Complainants

Versus

M/s. Vasavi Realtor LLP,

*(Rep by its Designated Partner, Vijay Kumar Yerram,
Vasavi Corporate,
H.No.8-2-703/7/1 and 8-2-703/7/1/A,
4th Floor, Vasavi Corporate Building, Amrutha Valley Apartments,
Road No. 12, Banjara Hills, Hyderabad, Telangana – 500034)*

...Respondent

The present complaint is filed by the Complainants mentioned herein above came up for hearing before this Authority in the presence of counsel for the Complainants and counsel for the Respondent, and upon hearing the submissions of both 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 “RE(R&D) 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 Respondent.

A. A brief facts of the case as stated by the Complainants in Form M:

3. The Complainants submitted that they initially entered into an Agreement of Sale dated 15.06.2021 with Vasavi Realtors LLP, represented by its Designated Partner, Sri Vijay Kumar Yettam, for Flat No. W070807 in the West Wing of the “Vasavi Lake City West” project at Hafeezpet, Hyderabad, with a promised possession date on or before 31.08.2023.

4. The Complainants purchased Flat No. W070807 for total sale consideration of Rs. 79,31,065/-. That the Complainants fulfilled all contractual obligations and made timely payments without any default. Despite receiving substantial amounts, the Respondent failed to complete the project or hand over possession within the agreed timeline, with construction progress remaining consistently delayed.

5. Additionally, Complainant purchased flat in pre-EMI by paying extra 400/- per sft where promoter is bounded to pay the interest amount till possession.

6. The Complainants submitted that, due to continuous delays, they repeatedly followed up with the Respondent and attended several meetings where assurances of early possession were repeatedly given.

7. The Complainants submitted that the repeated delays and false assurances caused financial hardship, mental stress, and uncertainty, as they had to bear both rent and home loan EMIs simultaneously. They further alleged significant deviations from the promised flat specifications, particularly that the balconies and utility areas appeared narrower than the assured 5 feet width, raising serious concerns regarding adherence to agreed standards and quality

B. Relief(s) sought:

8. In the above facts and circumstances of the case, the Complainants most respectfully pray that this Hon'ble Authority may be pleased to:

- 1. Direct the Opposite Party to hand over immediate possession of the flat bearing Flat No. W070807 in the "Vasavi Lake City West" project, at the earliest.*
- 2. Direct the Opposite Party to pay interest for delayed possession on the entire amount paid by the Complainants from the promised possession date till actual handover of possession. Promoter must return the amount paid extra for the Pre-EMI plan with interest*
- 3. Direct the Opposite Party to compensate the Complainants for financial losses and mental agony*

C. Counter filed by the Respondent:

9. The Respondents submitted that the present complaint is not maintainable either in law or on facts, as the Complainants failed to invoke the dispute resolution mechanism under the Agreement of Sale and did not issue any prior legal notice before filing the complaint.

10. The Respondent submitted that they lawfully developed the "Vasavi Lake City West" project after obtaining development rights and all necessary approvals, including building permission and RERA registration. They admitted allotment of Flat No. W070807 to the Complainants under an Agreement of Sale for ₹ 79,31,065/- (Rupees Seventy Nine Lakhs Thirty One thousand Sixty Five Only). The Respondents further stated that Clause 7.1 of the Agreement provided for possession by 31.08.2023 with a six-month grace period and protected the developer against force majeure delays.

11. The Respondent submitted that the delay in completion of the project was caused due to force majeure circumstances arising out of the COVID-19 pandemic, nationwide lockdowns, shortage and migration of labour workforce, disruption in construction activities, project site was layered with rocky site and litigations filed by third parties concerning the project, including RERA Case No. 190/2020, W.P. No. 2694 of 2021, W.P. No. 1389 of 2022, W.P. No. 34343 of 2023, W.A. No. 584 of 2023, SLP Nos. 9694-9695 of 2023, and W.P. No. 26301 of 2024.

12. The Respondents relied upon the orders passed by the Hon'ble Supreme Court in *Suo Motu Writ Petition No. 3 of 2020* extending limitation periods during the pandemic and contended that such extensions were applicable to the project timelines as well.

13. The Respondents stated that the Complainants were periodically informed about the project progress and revised timelines, denied allegations of false promises or deviations, and claimed that over 80% of the construction was completed. They further submitted that registration and balance payment communications had been issued, they remained committed to early possession, and therefore sought dismissal of the complaint.

D. Points for Consideration:

14. 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?

E. Observations of the Authority:

15. The present complaint arises from the same project Vasavi Lake City West (RERA Reg. No. P02500001819) developed by the very same Respondent in respect of which this Authority has already rendered a detailed order in Complaint No. 134 of 2025 (*Raju Burnwal & Anr. v. M/s. Vasavi Realtors LLP*, dated 02.09.2025). In that order, this Authority examined, at length, all the material contentions raised by this Respondent including maintainability, the Covid-19 force majeure plea, the effect of regulatory extensions of registration, the Respondent's unilateral revision of possession timelines, and the allottees' entitlement under Section 18 of the RE(R&D) Act and returned clear and considered findings on each. As the facts, contentions, and legal issues in the present complaint are, in all material respects, identical to those already adjudicated, this Authority finds no reason to depart from the reasoning set out in that order. The findings therein are adopted and applied in their entirety to the present case as well.

16. Accordingly, the objection as to maintainability is rejected. The dispute resolution clause in the Agreement of Sale is merely directory and cannot curtail the statutory remedies available under the RE(R&D) Act, as held in Complaint No. 134 of 2025.

17. On the merits, the Respondent executed the Agreement of Sale on 15.06.2021 well after the Covid-19 pandemic had substantially subsided with a specific, voluntary commitment to hand over possession by 31.08.2023 and six months grace period. Having consciously undertaken this commitment with full knowledge of prevailing conditions, the Respondent cannot now invoke Covid-19 as a retrospective force majeure defence. As established in Complaint No. 134 of 2025, such reliance is wholly untenable and amounts to giving false assurances with mala fide intent.

18. Similarly, the regulatory extensions of RERA registration obtained by the Respondent, and any revised possession timelines uploaded on the TG RERA portal, do not bind the Complainants and cannot dilute their contractual and statutory rights. As held in Complaint No. 134 of 2025, following the Bombay High Court in Neelkamal Realtors Suburban Pvt. Ltd. v. Union of India [2017 SCC OnLine Bom 9302], the date of possession as stipulated in the Agreement of Sale shall prevail.

19. The Authority has considered the contention of the Complainants that they had opted for the Pre-EMI plan by paying an additional amount of Rs.400/- per sq. ft., under which the Respondent was required to bear the interest component till the date of possession, and that the amount paid towards the Pre-EMI plan is liable to be refunded along with interest.

20. In support of the said contention, the Complainants have relied on an email dated 09.12.2024 bearing the subject line "Vasavi Lake City West Wing Pre EMI Interest Adjustment." Upon review, this email was originally sent by Lakecity CRM to one Sri Rajinikanth Vennu and was subsequently forwarded by Complainant Sri Bhargav Mangavalli to himself on 05.09.2025. Beyond this forwarded email, no other correspondence, payment proof, contractual clause, or supporting document has been placed on record to demonstrate that the Respondent had introduced a Pre-EMI plan or had committed to adjusting or refunding any such amount in respect of the subject flat.

21. In the absence of any contemporaneous record or supporting material establishing the alleged Pre-EMI arrangement between the parties, this Authority is unable to conclusively determine whether the Complainants are entitled to a refund or adjustment of the claimed Pre-EMI amount. Accordingly, the said relief cannot be granted on the basis of the forwarded email alone.

22. Therefore, the relief sought by the Complainants regarding refund/adjustment of the amount allegedly paid under the Pre-EMI plan is rejected as no proper documentary proof is placed.

23. The record establishes that the Complainants paid total sale consideration of Rs. 66,62,095/- as per payment receipts produced before this Authority, fulfilling their contractual obligations, yet possession has not been handed over. The Respondent's contention that the Complainants bear residual payment arrears cannot afford it any shield, as held by the Hon'ble Supreme Court and affirmed in the order of Complaint No. 134 of 2025, a promoter in default cannot place its own breach at the feet of the allottee to avoid liability.

24. In view of the above, this Authority holds that the Respondent is in clear breach of both its contractual obligations under the Agreement of Sale and its statutory obligations under Section 11(4)(a) of the RE(R&D) Act. The Complainants, having chosen to remain in the project, are entitled as a matter of statutory right under the proviso to Section 18(1) of the RE(R&D) Act to interest for every month of delay from 01.03.2024 (i.e., the day following expiry of the agreed possession date of 31.08.2023 along with six months grace period i.e., 29.02.2024) until actual handing over of lawful possession. Insofar as compensation for mental agony, financial loss, and any assured compensation amounts promised by the Respondent is concerned, the Complainants are at liberty to pursue such relief before the Adjudicating Officer under Section 71 of the Act by filing Form 'N'.

25. This Authority takes note, with grave concern, that over fifty complaints have already been received against this same Respondent arising from the same project. Such a systemic pattern of default, repeated false assurances, and disregard for the statutory framework strikes at the very foundation of homebuyer confidence. The RE(R&D) Act was enacted as a beneficial legislation to protect innocent homebuyers, and this Respondent's conduct is in gross derogation of that mandate. Any further default, non-compliance, or grievance brought by allottees will invite proceedings under Section 63 of the RE(R&D) Act, 2016.

F. Directions of the Authority:

26. 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 Complainants are directed to pay the balance consideration strictly in accordance with the agreed payment schedule. In the event of any default in adhering to such schedule, the Respondent shall be at liberty to claim interest on the delayed amounts, as provided under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017. However, such claim shall be substantiated by valid documentary evidence demonstrating that the default is aligned with the actual stage-wise progress of construction, and not merely on the basis of unilateral assertions.
- e) 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).
- f) The Complainants are entitled to interest at the rate of 10.70% per annum (being SBI MCLR + 2% as per Rule 15 of the TG RE(R&D) Rules, 2017), computed on the amounts actually paid by the Complainants, with effect from 01.03.2024 until actual handing over of lawful possession. The exact computation shall be subject to verification of such payments by the Respondent at the stage of effecting payment. 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.
- g) Insofar as compensation is concerned, the Complainant is at liberty to pursue appropriate proceedings before the Learned Adjudicating Officer under "Form N".
- h) The Respondent is hereby directed to complete the project forthwith and hand over possession to the Complainants within the statutory timelines.

27. 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, 2016.
28. The Complaint is accordingly allowed in part, in terms of the above directions.
29. 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.
30. As a result, the Complaint is disposed of accordingly. No order as to costs.

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

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

