

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

Dated: 25th August, 2026

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

Complaint No. 641/2025/TGRERA

Raghavendra Rao Attuluri
VL Hima Bindu Tatavarthy
*(Both R/o. Flat no 102, Sri Srinivasam apartments,
KDR colony, Madinaguda, Hyderabad - 500049)*

...Complainants

Versus

M/s. Vasavi Realtors LLP,
*Rep. by its Designated partner, Vijay Kumar Yerram,
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 Complainants 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 purchased an Apartment No. W 05 06 01 (6th Floor, Tower no 05) in Vasavi Realtors LLP project “Vasavi Lake City West”, located at Vasavi Lake City, Hafeezpet village, Serlinghampally mandal, Ranga Reddy District, and an Agreement for Sale was executed on 25.10.2021. As per the Agreement for Sale, possession of the apartment was to be handed over by 31.08.2023, with a grace period of six months.

4. Acting upon the representations and assurances of the Respondent, including those made by its Designated Partner, Mr. Yerram Vijay Kumar, and CRM team, the Complainants paid 90% of the sale consideration as demanded by the Respondent. The Complainants was repeatedly assured that possession would be delivered within the committed timeline and, at times, even earlier.

5. However, despite the lapse of more than two years from the committed possession date, the project remains incomplete and possession has not been handed over. The Respondent has repeatedly communicated revised timelines through meetings and letters, including promises of possession, none of which have materialized.

6. As of September 2025, the project remained only about 75–80% complete, with substantial works, including interior finishing, common amenities, and supporting infrastructure, still unfinished. The builder has since made little visible progress and is now insisting on payment of the final instalment and execution of registration despite the absence of essential approvals such as Fire NOC and Occupancy Certificate, non-completion of the flat, and non-provision of amenities promised under the Agreement of Sale.

7. The Complainants contends that these actions constitute a violation of RERA obligations and a breach of contractual commitments, resulting in financial loss, mental stress, and emotional distress, thereby necessitating regulatory intervention, compensation, and appropriate action against the builder.

8. The Respondent's failure to deliver possession despite collecting 90% of the consideration amount constitutes a clear breach of its contractual obligations and is violative of the provisions of the Real Estate (Regulation and Development) Act, 2016, thereby warranting intervention of this Hon'ble Authority.

B. Relief(s) sought:

9. 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 complete the construction and to hand over immediate possession of the flat 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.*

3. *Direct the Opposite Party to compensate the Complainants for financial losses and mental agony*

C. Counter filed by the Respondent:

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

11. 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. W050601 to the Complainants under an Agreement of Sale for Rs.1,32,07,100/-. The Complainants paid a sum of Rs.27,73,491/- towards the booking amount in accordance with Clause 1.11 read with Schedule C of the Agreement, and the balance sale consideration was agreed to be paid in accordance with the payment schedule stipulated therein.

12. 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.

13. 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.

14. 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.

15. The Respondents stated that the Complainants was 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. Rejoinder filed by the Complainants:

16. The Complainants respectfully denies the allegations and objections raised in the Respondent's Counter and submits that the complaint is founded entirely on documentary evidence, including the Agreement for Sale, payment receipts, demand letters, Minutes of Meetings, and written communications issued by the Respondent.

17. Despite collecting 90% of the sale consideration, the Respondent has failed to hand over possession of Apartment No. W050601 even after more than two years beyond the contractually committed possession date of 31.08.2023 (with grace period up to February 2024).

18. The Complainant submits that the objections regarding maintainability, non-issuance of legal notice and alleged availability of contractual dispute resolution mechanisms are legally untenable, as the Real Estate (Regulation and Development) Act, 2016 provides an independent statutory remedy under Section 31.

19. The Complainants further submits that the Respondent's reliance on COVID-19, force majeure, rocky site conditions, and third-party litigation is an afterthought and does not justify the prolonged delay. The Respondent's own construction progress records demonstrate that only 10% of work was completed during the initial two years, substantial progress was achieved thereafter, and virtually no meaningful progress has been made, well after the cessation of any COVID-related restrictions.

20. The Complainants submits that no material evidence has been produced to establish a valid force majeure claim or a direct causal link between the alleged obstacles and the delay. Moreover, extension of the project registration does not extinguish the Complainants' statutory right to interest under Section 18 of the RERA Act.

21. Having invested 90% of the sale consideration and his lifetime savings in the project, the Complainants continues to suffer financial hardship, uncertainty, and mental distress while simultaneously bearing rental and other financial obligations. The Complainants therefore reiterates his prayer for immediate possession within a fixed timeline, payment of statutory interest for the period of delay, compensation for the loss and hardship suffered.

E. Points for Consideration:

22. 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:

23. 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.

24. 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.

25. On the merits, the Respondent executed the Agreement of Sale on 25.10.2021 well after the Covid-19 pandemic had substantially subsided with a specific, voluntary commitment to hand over possession by 31.08.2023. 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.

26. 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 his 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.

27. The record establishes that the Complainants paid Rs.1,10,93,967/- out of a total sale consideration of Rs.1,32,07,100/-, 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.

28. 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 01.09.2023 (i.e., the day following expiry of the agreed possession date of 31.08.2023) 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 is at liberty to pursue such relief before the Adjudicating Officer under Section 71 of the Act by filing Form 'N'.

29. 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.

G. Directions of the Authority:

30. 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 Complainants 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 Complainants 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.

31. 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.

32. The Complaint is accordingly allowed in part, in terms of the above directions.
33. 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.
34. 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

