

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 617 of 2025

25th August, 2026

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

Between:

Karimulla Shaik

Shama Sheik

*(Both R/o. Plot 1222, Cheruku Residency,
Flat No. 202, Venkata Ramana Colony,
KPHB 9th Phase, Hyderabad – 500072)*

...Complainants

Versus

M/s. Vasavi Realtors LLP,

Rep. by 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 filed by the Complainants detailed hereinabove came up for hearing before this Authority in the presence of the Complainants and the learned counsel for the Respondent, Sri D. Madhav Rao 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. Brief facts of the case as stated by the Complainants in Form M:

3. The Complainants submitted that they entered into an Agreement of Sale on 06.02.2021, with the Respondent in respect of Flat No. W061006 in the project namely "Lake City West", Hafeezpet, bearing RERA Registration No. P02500001819. As per the terms of the Agreement of Sale, the Respondent undertook to complete the construction and hand over possession of the said flat on or before 31.08.2023. The Complainants were induced to

purchase the said flat vide said agreement based on the Respondent's extensive promotional campaigns and representations made by its sales personnel, who assured timely completion and delivery of possession in the year 2023.

4. However, the Respondent failed to adhere to the agreed possession schedule. They repeatedly followed up with the Respondent regarding the status of the project. In January 2024, the Respondent directed the Complainants to proceed with the registration of the flat, assuring them that possession would be handed over in February 2024, while attributing the delay to a six-month extension from the originally agreed date. The Complainants continued to pursue the matter and attended several meetings seeking clarity on the progress of the project and the expected date of possession. Significant meetings were held on 08.09.2024 and 23.11.2024, during which the Respondent interacted with the allottees and assured them of the project's progress and early completion.

5. Thereafter, following several further follow-ups by the Complainants, the Respondent revised the possession timeline and represented that possession would be delivered by 15.01.2025. The Respondent also published a promotional advertisement in the Eenadu newspaper stating that possession would commence in March 2025. Subsequently, on 07.02.2025, the Respondent communicated yet another revised possession date of 02.06.2025. However, despite repeatedly extending the possession timeline and making multiple assurances, the Respondent failed to hand over possession of the subject flat, thereby causing the Complainants financial hardship, mental agony, and prolonged uncertainty.

B. Relief(s) sought:

6. In view of the facts mentioned above, the Complainants have sought for the following reliefs:

- a. *To direct the Respondent to hand over possession of the flat to the Complainants at the earliest, in view of the delay of more than 18 months as of February 2025. The Complainants have suffered substantial financial hardship on account of the delay, as they are compelled to pay rent for their current residence while simultaneously servicing home loan EMIs.*
- b. *To direct the Respondent to pay interest on the amounts paid by the Complainants for the delay in handing over possession from August 2023 till the actual date of possession.*

- c. *To direct the Respondent to pay appropriate compensation for the delay in handing over possession, the mental stress and agony suffered by the Complainants, and the efforts undertaken by them in making regular follow-ups over the last 18 months, and to compensate them for the expenses incurred due to the Respondent's repeated false promises regarding delivery of possession, including the rent paid for alternative accommodation.*

C. Counter filed by the Respondent:

7. The Respondent contended that the complaint is not maintainable as the Complainants neither invoked the dispute resolution mechanism under the Agreement of Sale nor issued a prior legal notice. The Respondent also alleged suppression of material facts and denied liability.

8. The Respondent attributed the delay in completion of the project to the COVID-19 pandemic, particularly the large-scale migration of labourers and other consequential factors affecting construction. It further contended that the allegations in the complaint are baseless, unsupported by evidence, and intended only to harass the Respondent and seek unwarranted relief.

9. The Respondent further contended that the complaint is false, without any legal or factual basis, and liable to be dismissed. It submitted that every effort is being made to complete the project and hand over possession of the flats to all allottees, irrespective of the filing of the present complaint.

D. Rejoinder filed by the Complainants:

10. The Complainants, in their rejoinder, denied the allegations and averments made in the counter filed by the Respondent and contended that the Respondent had neither provided a firm timeline for completion of the project nor obtained the Occupancy Certificate (OC) or made a lawful offer of possession, thereby attracting the provisions of Section 18 of the Real Estate (Regulation and Development) Act, 2016.

E. Points for Consideration:

11. 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:

- I. Whether the present complaint is maintainable before this Authority?
- II. Whether the Complainants are entitled to the reliefs as prayed for?

F. Observations of the Authority:

12. 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 of the contentions. 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.

13. Accordingly, with regard to the objection as to maintainability, 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. Hence, the objection about maintainability of the complaint raised by the Respondent is rejected.

14. On the merits, as can be gathered from the case record it is obvious that the Respondent executed the said Agreement of Sale 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, the Authority rejected the Respondent's Covid-19 defence, holding that the said Agreement of Sale was executed with full awareness of the pandemic and a committed possession date (inclusive of grace period).

Having knowingly undertaken this obligation, the Respondent cannot retrospectively invoke Covid-19 to justify the delay. Relying on *Neelkamal Realtors Suburban Pvt. Ltd. v. Union of India* [2017 SCC OnLine Bom 9302], the Authority held that promoters must provide realistic timelines and remain bound by their contractual and statutory commitments under RERA. Accordingly, the plea of force majeure is untenable and liable to be rejected, as it amounts to an impermissible attempt to evade the Respondent's contractual and statutory obligations under RERA.

15. 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.

Point II

16. The record establishes that the Complainants have paid Rs. 30,62,750/- out of the total sale consideration of Rs. 34,03,056/-, i.e., approximately 90% of the agreed consideration, thereby substantially fulfilling their contractual obligations. This aspect is neither denied nor disputed by the Respondent while so it is undisputed that possession has not yet been handed over to the Complainants. 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 by this Authority in the order in Complaint No. 134 of 2025 a promoter in default cannot attribute its own breach to the allottee(s) to avoid liability.

17. 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, 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 RE(R&D) Act, 2016 by filing Form 'N'.

18. 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:

19. 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 during 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 Respondent is held liable for failure to hand over possession of the subject flat by the agreed date i.e., 31.08.2023, with a grace period of six months.
- e) 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, as currently applicable), 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.

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.

20. 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 attract section 63 of the RE(R&D) Act, 2016.

21. The Complaint is accordingly allowed in part, in terms of the above directions.

22. 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.

23. 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**

