

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

Complaint No. 663 of 2025

Dated: 25th August, 2026

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

1. Guggilam Subbarao

2. Guggilam RajaRatna Kusuma

*(Door No-9-42-9, Flat 504, Mahalakshmi Towers, Balaji Nagar,
Siripuram Visakhapatnam, Andhra Pradesh-530003)*

...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 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 purchased a residential flat in the project "Vasavi Lake City" in the year 2020 based on the advertisements, website information, and personal interactions with the Respondent's marketing team, wherein the project was portrayed as a well-planned development that would be completed and delivered within the promised timeframe. The Complainants stated that they invested in the project with the legitimate expectation that the Respondent would complete the construction and hand over possession of the flat as committed. It is their case that they paid approximately 90% of the sale consideration amount under a one-time payment plan, believing that the project was progressing as represented by

the Respondent. The Complainants further submitted that the builder, Mr. Yerram Vijay Kumar, had personally assured them that possession of the flat would be handed over by August, 2023, and that they could even expect delivery before the committed deadline.

4. The Complainants further submitted that in April 2023, upon their request, they were shifted to a bigger-sized flat in the same project. It is their case that the differential sale consideration arising out of such a change of flat was paid by them immediately to the Respondent. The Complainants stated that pursuant to the said change, a fresh Agreement of Sale was executed between the parties, wherein the Respondent promised to hand over possession of the subject flat on or before 31.08.2024.

5. The Complainants alleged that despite the aforesaid assurances and contractual commitments, the project has suffered repeated and unjustified delays and remained incomplete even as of September, 2025. According to the Complainants, the Respondent has continuously postponed the promised handover date and has failed to communicate any clear or definite timeline for completion of the project. It is further alleged that whenever the Complainants approached the Respondent seeking information regarding possession of the flat, they were provided with revised dates, assurances, and explanations; however, no actual progress was achieved towards completion of the project. The Complainants contended that having already paid the substantial portion of the sale consideration amount, they have been left in a state of uncertainty and financial distress, and that the prolonged delay has adversely affected their plans and investments.

6. The Complainants further submitted that as of August, 2025, the project was only approximately 65% to 75% complete. It is their contention that no major construction activity has been undertaken thereafter. The Complainants alleged that several critical components of the project, including interior finishing works, common amenities, and supporting infrastructure, remained incomplete. The Complainants further stated that despite making multiple follow-ups with the Respondent regarding the status of the project and expected completion timeline, the Respondent failed to provide any clear roadmap, completion schedule, or definite date for handing over possession. According to the Complainants, the absence of visible progress at the site and lack of proper communication from the Respondent have caused frustration and anxiety not only to them but also to other homebuyers in the project. The Complainants further expressed apprehension regarding the Respondent's commitment towards completion of the project.

7. The Complainants contended that the continued delay in handing over possession constitutes a serious violation of the provisions of the Real Estate (Regulation and Development) Act, 2016, as the Respondent has failed to deliver the project within the stipulated timeline without any valid justification. It is their specific allegation that the Respondent collected approximately 90% of the sale consideration amount upfront under a one-time payment plan and thereafter failed to fulfil its contractual and statutory obligations. The Complainants further submitted that the delay has caused them financial strain, mental stress, and emotional distress. Aggrieved by the prolonged delay, lack of accountability on the part of the Respondent, and failure to provide a firm and definite completion date, the Complainants have approached this Authority by filing the present complaint seeking urgent intervention and appropriate reliefs under the provisions of the Act.

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 Respondent to complete the construction in fixed timeline and handover possession of my flat in a liveable condition as most of the payment is already made.*
- 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:

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 submitted that the allotment of Flat No. W050903 to the Complainants under an Agreement of Sale for Rs.69,52,750/-. The Respondents further stated that Clause 7.1 of the Agreement provided for possession by 31.08.2024 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. Rejoinder filed by the Complainants:

14. The Complainants, in rejoinder, denied the allegations in the counter affidavit and submitted that the Respondents had neither provided a firm completion date nor obtained an OC or made a lawful offer of possession, thereby attracting relief under Section 18 of RERA.

15. Complainant submitted that they have changed the flat from W 050903 to W 041301, and the Respondent committed possession by 31-08-2024, with grace up to 29-02-2025. contended that now the Respondents could not rely on force majeure or COVID-19, having executed the Agreement in the year 2023 and voluntarily committed possession by 29.02.2025(Including 6 Months grace period). The Complainants also submitted that despite the expiry of the possession period and the absence of OC, the Respondents continued to demand and receive instalment payments, despite the delay in construction.

16. It was further submitted that extension of RERA registration up to 07.02.2026 and third-party litigations could not defeat the allottees' statutory rights under Section 18 of RERA, particularly when there was no injunction restraining completion or issuance of OC. The Complainants therefore sought interest for delayed possession from 01.03.2025 till actual handover with OC, compensation for EMI and rental hardship, and restraint against registration or payment demands without OC.

E. Points for Consideration:

17. 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:

18. 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.

19. 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.

20. On perusal of the record and contentions of the Complainant, it is observed that both parties have entered into a new agreement by changing the flat from W 050903 to W 041301 with a new possession date, i.e., 28.02.2025(Inclusive of a 6-month grace period). The Respondent executed the said Agreement of Sale in the year 2023, well after the Covid-19 pandemic had substantially subsided, with a specific, voluntary commitment to hand over possession by 28.02.2025, with a grace period of 6 months. 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.

21. 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.

22. The record establishes that the Complainants paid approximately Rs. 89,83,000/- out of a total sale consideration of Rs. 1,06,93,700/-, 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.

23. 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 01.03.2025 (i.e., the day following expiry of the agreed possession date of 28.02.2025) 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'.

24. 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:

25. 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 Respondent is held liable for failure to hand over possession of the subject flat by the agreed date i.e., 28.02.2025 (inclusive of grace period).
- 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), computed on the amounts actually paid by the Complainants, with effect from 01.03.2025 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.

26. 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.

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

28. 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.

29. As a result, the Complaint is disposed of accordingly. No order as to costs.

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

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

