

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 153 of 2025

Dated: 30th December 2025

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

Veligotla VN Vijaybabu

*R/o. Flat No. 113, Maximushill Side Towers,
Kousalya Colony, Bachupally Road, Miyapur, Hyderabad – 500090.*

...Complainant

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 matter filed by the Complainant herein came up for hearing before this Authority in presence of Complainant and the Respondent; upon pursuing the material on record and on hearing arguments of both the parties and having stood over for consideration till this day, the following order is passed:

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. The brief facts of the case, as stated by the Complainant, are as follows:

3. It is submitted that the Complainant purchased a flat bearing No. WT021107, in the project “Vasavi Lake City – West Wing” on 12.08.2022. It is submitted that the complainant purchased the property from NJR Construction Pvt Ltd, where they received this unit as an investor share property and this abides to possession and all the norms as per the GHMC approvals.

4. It is submitted that as per the Agreement of Sale, the possession of the said flat was to be handed over by August 2023, with a further grace period of six months. However, the Respondent has failed to deliver possession within the agreed period, including the grace period. Despite repeated requests and follow-ups by the Complainant, the Respondent has failed to provide any definite or concrete timeline for the completion and handover of the flat. The construction work at the site has either stalled or is progressing at an unreasonably slow pace.

5. It is submitted that the Respondent has been issuing vague, misleading, and inconsistent updates regarding the progress of the project. No transparent or timely disclosure of reasons for delay has been made to the Complainant. The Respondent has also attempted to revise the possession date multiple times without any valid justification, in violation of the agreed terms. Further, several amenities that were promised at the time of booking are not being constructed.

6. It is submitted that the Complainant has suffered severe financial and emotional distress due to the inordinate delay. The Complainant has been paying huge EMIs to the banks. To further add to the financial burden, the Complainant has been paying house tax to GHMC for the past two years without being in possession of the said flat. It is also stated that there were discrepancies in the room dimensions.

B. Relief(s) Sought:

7. Accordingly, the Complainant sought the following reliefs:

- i. Direct the Respondent to hand over immediate possession of Flat/Unit WT021107 in VASAVI LAKE CITY – WEST WING to the Complainant.
- ii. Direct the Respondent to pay interest with penalty for the entire period of delay as per the provisions of the RE(R&D) Act.
- iii. Direct the Respondent to compensate the Complainant for losses and damages incurred due to the delay.
- iv. Direct the Respondent to complete the project within a specific timeline.
- v. Direct the Respondent to provide compensation in lieu of the kitchen platform as agreed.
- vi. Direct the Respondent to compensate for the difference in room dimensions.
- vii. Impose penalties on the Respondent for violation of the provisions of the RE(R&D) Act.

viii. Pass any other reliefs that this Hon'ble Authority may deem fit and proper.

C. Counter filed by the Respondent:

8. It is submitted by the Respondent that the complaint is not maintainable either in law or on facts and is liable to be dismissed. It is submitted that the complainant has not followed the remedies available under the Agreement for Sale for resolution of disputes before approaching this Hon'ble Authority. Further, no prior legal notice was issued before filing this complaint, which itself renders the application defective and not maintainable.

9. It is submitted that the project "Lake City-West" was developed lawfully after obtaining rights from the landowners under registered documents, covering 43,298.17 sq. yds. While requisite land conversion permissions and building permissions for construction of multi-storied apartments were obtained on 07.02.2020. The project consists of seven towers (cellars + ground + 14 upper floors), and a clubhouse (stilt + five upper floors). The project was duly registered with this Authority vide Registration No. P02500001819 dated 20.03.2020.

10. It is further submitted that the Complainant was allotted an apartment in the project and was allotted an apartment No. W.21107 on the 11th Floor of Tower 2, admeasuring 1650 sq. ft., along with parking, for a total consideration of Rs. 41,25,000/-. The Agreement of Sale sets out the carpet area, balcony/veranda area, common area, and undivided share of land.

11. It is submitted that as per Clause 7 of the Agreement, the Respondent was obligated to hand over possession of the flat and common areas by 31.08.2023, subject to extension in the event of force majeure. The Agreement itself clearly records that timely delivery is the essence of the contract but also recognises that the period of completion shall stand extended to the extent of delay caused by force majeure conditions, during which period the allottee is not entitled to claim compensation.

12. It is submitted that the complainants have not come before this Hon'ble Authority with clean facts but with an ulterior motive to make unlawful gain and that there has been material suppression of facts of the case with regard to the claim and the relief sought therein.

13. It is further stated that COVID-19 is a force majeure event duly recognized under law, and hence the timelines stood extended. The Respondent contended that the COVID-19 pandemic, subsequent lockdowns, and migration of labourers had severely impacted

construction work. The Respondent further relies on the orders of the Hon'ble Supreme Court in *Suo Motu Writ Petition No. 3 of 2020*, whereby the period from 15.03.2020 till 28.02.2022 was excluded for the purposes of computation of limitation across various statutes. It is contended that the extension of time for completion of the project was not only factually justified but also recognised in law.

14. In addition to COVID-19, the Respondent submits that unforeseen site conditions such as rocky terrain requiring manual excavation further delayed the project. Owing to restrictions on blasting due to the residential nature of the surrounding locality, excavation could only be done manually, which compounded the delay. These challenges were communicated to all allottees through regular updates and meetings.

15. The Respondent also submits that certain third-party disputes adversely impacted the project timelines. These include cases such as RERA Case No. 190/2020, W.P. Nos. 2694/2021, 13898/2022, 33433/2023, W.A. No. 584/2023, SLP Nos. 9694–9695/2023, and W.P. No. 26301/2024, some of which are still pending. While most have been resolved, their pendency at various points of time hindered the smooth progress of the project.

16. It is contended that the project has been executed strictly in accordance with approved plans and specifications, and any clerical or typographical errors in the Agreement of Sale cannot be construed to create liability. It is the case of the Respondent that more than 90% of the project construction is completed and the project is presently in its final finishing stage. An extension of registration has already been granted by this Authority till 07.02.2026, within which period the Respondent undertakes to deliver possession of the apartments to all allottees. Communications have also been issued to purchasers for payment of balance amounts, as completion is nearing.

17. With regard to the claims for interest and compensation, the Respondent submits that in view of the force majeure conditions, no such relief is available to the Complainant under law. Section 6 of the Act specifically contemplates force majeure events such as natural calamities and other circumstances beyond the control of the promoter. The Respondent submits that the COVID-19 pandemic, together with the extraordinary circumstances outlined above, clearly falls within the scope of force majeure.

D. Rejoinder filed by the Complainant:

18. It is submitted that the preliminary objection raised by the Respondent regarding maintainability of the complaint is unfounded, vague, and devoid of legal merit. The present complaint has been filed under the RE(R&D) Act, 2016, seeking relief for the unreasonable delay in delivery of possession of the flat in the registered project bearing RERA No. P02500001819. As per the Sale Deed dated 12.08.2022, the committed possession date was 31.08.2023. However, even as on the date of filing this complaint i.e., 01.03.2025, possession has not been handed over and the project remains incomplete at less than 85%. The Hon'ble Telangana RERA has clear jurisdiction to entertain complaints of this nature, and the application is legally maintainable in fact and in law. The Respondent's objection is therefore baseless and liable to be dismissed.

19. It is further submitted that all relevant evidence including the Minutes of Meetings and Form M have already been furnished in support of the complaint. The Complainant has exhausted all possible means to establish contact with the Respondent, and therefore the allegation that contractual remedies were not availed is wholly misplaced. It is stated that under the RE(R&D) Act, there is no mandatory requirement for an allottee to issue a separate legal notice to the promoter before filing a complaint before this Authority. The repeated communications and MOMs already demonstrate persistent follow-ups, and issuance of further notice would be futile. The breach of the Agreement of Sale is evident, as the possession date has long expired without delivery.

20. It is further submitted that there is no dispute that the project 'Lake City West' was sanctioned and undertaken by the Respondent. However, Clause 5 of the Agreement imposes a clear obligation on the promoter to adhere to the committed time schedule. Clause 7.1 makes it abundantly clear that timely delivery of possession is the essence of the contract. The Respondent's reliance on clauses regarding grace periods and force majeure is misconceived. The Respondent has failed to prove the existence of any genuine force majeure event as defined under law. Routine construction difficulties or even the COVID-19 pandemic, which was a known factor when the Sale Deed was executed, cannot excuse prolonged default. The Complainant has made all payments despite hardship and is entitled to compensation as per law.

21. It is further submitted that reliance on Clause 7.2 and Clause 9 is equally misplaced. The Respondent has failed to obtain an Occupancy Certificate and the project remains

incomplete, making reliance on possession procedure irrelevant. On the contrary, Clause 9 squarely places the promoter in default for failure to hand over possession within the agreed time. Accordingly, the Complainant is entitled to seek refund with interest or delay compensation as per Section 18 of the RERA Act.

22. It is further stated that allegations of suppression or filing with ulterior motives are completely denied. The Complainant has approached this Hon'ble Authority with clean hands, placing all material facts and documents including the Sale Deed, payment proofs, MOMs and correspondence on record. The Respondent's vague allegation of suppression is nothing but an attempt to deflect from their own failure to deliver possession.

23. It is further submitted that the Respondent's reliance on the COVID-19 pandemic is wholly misconceived. The Sale Deed was executed in August 2022, much after the pandemic had already started, with full knowledge of its impact. The possession date of 31.08.2023 was committed with full awareness of these circumstances. The Respondent cannot now take shelter under general references to the pandemic, particularly when delays were repeatedly explained earlier as due to funding and legal constraints.

24. It is further stated that the reliance on extension of limitation periods by the Hon'ble Supreme Court is irrelevant to the issue of possession delay. The Respondent was fully aware of COVID-19 when committing to a delivery date and cannot now evade liability by citing such orders.

25. It is submitted that the Respondent's justification regarding labour migration is also untenable. The Respondent was fully aware of the COVID-19 situation at the time of sanction and at the time of executing the Sale Deed. No specific evidence has been produced to show genuine impossibility of completing the project despite mitigation measures. The Respondent's own communications cited funding and legal issues rather than labour as the primary reason for delay.

26. It is further submitted that vague references to "other additional factors" are unsupported by evidence. No formal notices or revised timelines have been produced. Mere verbal assurances do not absolve the Respondent of liability under RERA. It is further stated that the contention regarding "clerical error" in the Sale Deed is wholly untenable. The possession date of 31.08.2023 is a binding contractual commitment. No rectification was ever

executed, and the Respondent cannot now disown its own binding promise by alleging typographical mistakes. The plea of force majeure is equally untenable, as no genuine evidence has been produced.

27. It is further submitted that the Complainant has produced ample evidence including the Sale Deed, payment proofs, MOMs, and site photographs to substantiate delay. Extension of RERA registration up to 07-02-2026 does not override the contractual possession date nor extinguish liability for compensation under Section 18(1) of RERA.

28. It is further stated that the Respondent's reference to third party disputes is vague and unsupported by any proof that such disputes directly prevented construction. Most disputes cited stand disposed, and no evidence of restraint orders halting construction has been produced. No formal notice was ever issued to the Complainant explaining delay due to such disputes.

29. It is further submitted that the Respondent's reliance on general communications and meetings does not override the Sale Deed obligation. Vague updates do not substitute legal liability to compensate for delay. The Complainant has fully discharged payment obligations, and it is entirely reasonable to claim interest and compensation for delay.

30. It is further submitted that the Respondent's assertion that no interest can be claimed is contrary to law. Section 18(1) of RERA clearly entitles an allottee to claim interest for delay in possession. The Respondent cannot deny this statutory right by relying on general references to COVID-19. It is further stated that the Complainant's claim for compensation for mental agony and harassment is fully lawful. The inordinate delay has caused financial and personal hardship, and such compensation is expressly recognized under RERA.

31. It is further submitted that the Respondent's statement that possession will be delivered by February 2026 cannot absolve them of liability for the delay beyond the original committed date. Extension of project registration does not waive liability for compensation. The Respondent's demand for balance payments is also premature when possession has not been handed over.

32. It is further stated that the Respondent's plea regarding rocky site conditions is also untenable. These are foreseeable risks that the promoter was bound to account for before

committing to a possession date. No consent or waiver has ever been given by the Complainant to forego rights under RERA.

33. It is submitted that the Complainant is fully entitled to relief as prayed for, including interest and compensation. The Respondent's sweeping allegations that the complaint is frivolous are baseless. The complaint is supported by ample documentary evidence and arises solely from the Respondent's breach of contract and statutory obligations.

34. Accordingly, it is prayed that this Hon'ble Authority be pleased to uphold the statutory rights as per RERA, direct the Respondent to pay interest for the delay period, and grant compensation for the loss, mental agony, and financial hardship suffered by the Complainant due to the Respondent's breach.

E. Points for Consideration:

35. 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:

Point 1:

36. This Authority has carefully examined the preliminary objection raised by the Respondent with regard to the maintainability of the present Complaint.

37. At the outset, it is noted that although both parties have made reference to and sought to rely upon a purported Agreement of Sale, the said Agreement has not been placed on record before this Authority. In the absence of the said document, this Authority is unable to examine, rely upon, or render any observation on the specific contractual clauses relied upon by the Respondent to question the maintainability of the Complaint.

38. Be that as it may, it is an undisputed and admitted position that a registered Sale Deed has been executed in favour of the Complainant and that the subject flat stands allotted to the Complainant by the Respondent. The Respondent has neither denied nor disputed the allotment of the subject unit to the Complainant. There is also no dispute with respect to the identity of

the unit or the existence of a promoter–allottee relationship between the parties. The project in question is a registered project under the Real Estate (Regulation and Development) Act, 2016, and therefore squarely falls within the jurisdiction of this Authority.

39. The core grievance raised in the present Complaint pertains to the delay in handing over possession of the allotted unit and the failure of the Respondent to complete construction and deliver possession in accordance with the statutory and contractual obligations. Such a grievance clearly falls within the statutory framework of the Real Estate (Regulation and Development) Act, 2016. Section 18 of the said Act expressly provides that where an allottee does not intend to withdraw from the project, the promoter shall be liable to pay interest for every month of delay till the handing over of possession, at such rate as may be prescribed.

40. In the present case, the allotment of the unit is admitted, the Sale Deed has been executed, and the project is a registered project before this Authority. The relief sought by the Complainant, namely, completion of the project and handing over of possession along with statutory interest for delay, squarely falls within the ambit of Section 18 of the RE(R&D) Act, 2016.

41. In view of the above, this Authority finds no merit in the objection raised by the Respondent regarding maintainability. The Complainant cannot be compelled to first pursue an amicable settlement or contractual remedies when the grievance raised is statutory in nature and falls directly within the jurisdiction conferred upon this Authority under the RE(R&D) Act.

42. Accordingly, the objection as to maintainability raised by the Respondent is hereby rejected.

Point 2:

43. The Complainant has sought relief on the ground that there has been an inordinate delay in handing over possession of the subject flat, despite timely payments of 100% of the total sale consideration, causing significant financial and emotional distress. It is the case of the Complainant that the Sale Deed for the subject property was executed on 12.08.2022, pursuant to the Complainant having purchased the property from the landowner one M/s. NJR Construction (P) Ltd. and N. Janardhan Rao. It is observed that both the Complainant and the Respondent in their submissions have relied upon an Agreement of Sale and have asserted that the date of delivery of possession is 31.08.2023.

44. However, neither the Complainant nor the Respondent has placed such copy of Agreement of Sale before this Authority. It is pertinent to note that the Respondent has not denied the existence of an Agreement of Sale nor its obligation to deliver possession within the agreed timeline. Nevertheless, in the absence of such copy of Agreement of Sale, this Authority is constrained to identify the date of execution of the Sale Deed i.e. 12.08.2022 as the date for the delivery of possession of the scheduled property for the purpose of computation of interest payable by the Respondent to the Complainant herein. Further, although the project was registered with TG RERA up to February 2025 and later extended until 07.02.2026, the project remains incomplete.

45. The Complainant further submits that despite assurances made, including a promise to pay compensation for delay as per RERA guidelines, no such compensation has been provided. The Respondent, conversely, attributes the delay to the Covid-19 pandemic, claiming force majeure, citing the nationwide lockdown beginning March 2020, the impact on migrant labour, and consequential delays. The Respondent further cites rocky terrain at the site, third-party disputes, and typographical errors in the possession date as additional justifications.

(i) Whether the Covid-19 pandemic can be taken as a valid shield by the Respondent in the present case?

46. This Authority finds no merit in such a contention. The Sale Deed was admittedly executed on 12.08.2022, much after the onset and near subsiding of the Covid-19 pandemic. Having consciously undertaken contractual commitments as per their own submissions, with full knowledge of the prevailing circumstances, the Respondent cannot now, with retrospective justification, rely on Covid-19 as a defense to escape its contractual and statutory obligations. Such conduct clearly amounts to holding out false assurances with mala fide intent.

47. It is a settled principle that once a promoter has chosen to register a project and enter into binding contractual commitments with allottees, he does so with full knowledge of the risks, constraints, and challenges of the market. At the time of entering into the Agreement of Sale with the present Complainant as has been submitted by the Complainant, the Respondent was already aware of the Covid-related disruptions, as well as the Government notifications granting moratoriums for project completion timelines. Despite this knowledge, the Respondent chose to provide a specific assurance of delivery by August 2023.

48. This Authority aligns with the observations of the Hon'ble Bombay High Court in *Neelkamal Realtors Suburban Pvt. Ltd. & Anr. vs. Union of India & Ors.* [2017 SCC OnLine Bom 9302], wherein at para 119 it was categorically observed:

"While the proposal is submitted, the Promoter is supposed to be conscious of the consequences of getting the project registered under RERA. Having sufficient experience in the open market, the Promoter is expected to have a fair assessment of the time required for completing the project..."

49. The above dictum fortifies the principle that the promoter, being structurally at an advantageous position with respect to project information and market realities, is under a statutory duty to provide realistic timelines. The framework of the Real Estate (Regulation and Development) Act, 2016 reinforces this obligation by mandating timely completion and possession within the period stipulated in the Agreement of Sale.

50. Therefore, the plea of Covid-19 as a force majeure defence in the present case is wholly untenable. The Respondent cannot now seek to retrospectively attribute delays to the pandemic. Accordingly, this Authority holds that the reliance on Covid-19 as a shield stands rejected.

(ii) Extension of Registration

51. The Respondent has further contended that, since extensions have been granted by this Authority, the project timeline now stands extended up to February 2026, and therefore possession shall be delivered by then. The Complainants, however, have questioned the validity and effect of such extensions. At the outset, it must be clarified that under the scheme of the RE(R&D) Act:

"An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto."

52. The paramount objective is twofold: protection of consumer interest, and ensuring completion of projects in an efficient manner. Denial of extension during the Covid-19 disruption would have resulted in projects being stalled, to the grave prejudice of allottees. It was in this context that this Authority, balancing the equities, granted extensions in line with the moratoriums issued by Telangana RERA:

1. 15.03.2020 to 14.09.2020 (Circular No.14 dated 13.05.2020),
2. 15.09.2020 to 15.03.2021 (Order No.15 dated 29.09.2020),
3. 15.03.2021 to 14.09.2021 (Order No.16 dated 01.06.2021).

53. Accordingly, an aggregate 18 months' extension was applied across projects to safeguard larger consumer interest. However, it is equally well settled that such regulatory extensions cannot dilute the contractual rights of individual allottees under their respective Agreements of Sale, nor can they displace the statutory rights flowing from Section 18 of the RE(R&D) Act, 2016.

54. In the present matter, it is evident that the Respondent has unilaterally revised possession timelines to February 2026 due to the extension taken without consultation or consent of the Complainants. Such unilateral revisions are impermissible. The Hon'ble Bombay High Court in *Neelkamal Realtors Suburban Pvt. Ltd. vs. Union of India & Ors.* [2017 SCC OnLine Bom 9302], while upholding the constitutional validity of RERA, categorically observed:

Para 119 "The RERA does not contemplate rewriting of contract between the flat purchaser and the promoter."

Para 256 of this Judgment further clarifies that "by giving opportunity to the promoter to prescribe fresh timeline under Section 4(2)(l)(C), he is not absolved of the liability under the agreement for sale"

55. The above dicta makes it abundantly clear that any extension granted by the Authority, or revised timelines uploaded on the TG RERA project registration portal, do not ipso facto alter or bind the allottees' contractual rights. The agreed date of possession remains as stipulated in the Agreement for Sale, however, in the absence of copy of Agreement of Sale placed before this Authority, the date of delivery of possession shall be the date of execution of the Sale Deed and it shall be noted that unilateral extensions by the promoter cannot be foisted upon allottees to their detriment.

56. Accordingly, this Authority holds that the revised possession dates mentioned by the Respondent, whether while seeking extensions before the Authority or as updated on the registration portal, cannot be treated as binding on the Complainants.

(iii) Relief under Section 18 of the RE(R&D) Act:

57. It is noted that the Complainant has paid the entire sale consideration diligently and without any default. However, despite having received substantial sums, the Respondent has failed to hand over possession of the allotted unit.

58. Since the Sale Deed was executed on 12.08.2022 and in view of absence of the Agreement of Sale produced before this Authority, this Authority holds the date of execution of such Sale Deed as the date of delivery of possession, it is observed that the possession has not been delivered within the said period.

59. This clearly establishes that the Respondent has failed to honour its contractual obligations. The conduct of the Respondent indicates a pattern of false assurances, despite being fully aware of its inability to meet the timelines promised. The project remains incomplete even after the expiry of the stipulated date of delivery.

60. Under Section 18 of the Real Estate (Regulation and Development) Act, 2016, the liability of the promoter in such situations is categorical:

(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,— (a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act: Provided that where an allottee does not intend to withdraw from the project, he shall be paid,

by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.”

61. This statutory right of allottee is unqualified and absolute. Attention is drawn to the decision of the Hon'ble Supreme Court of India in **Civil Appeal Nos. 3581-359 of 2022, Civil Appeal Diary No. 9796/2019, M/s Imperia Structures Limited vs. Anil Patni & Others**, wherein it was held:

"In terms of Section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received in respect of that apartment if the allottee wishes to withdraw from the project. Such a right of the allottee is 'without prejudice to any other remedy available to him'. This right is unqualified, and if availed, the deposited money must be refunded with interest as prescribed. The proviso to Section 18(1) contemplates that if the allottee does not intend to withdraw from the project, they are entitled to interest for every month of delay until possession is handed over. The allottee may proceed under Section 18(1) or the proviso thereto."

62. Similarly, in **Civil Appeal Nos. 6745-6749 of 2021, M/s Newtech Promoters and Developers Private Limited vs. State of UP & Others**, the Hon'ble Supreme Court observed:

"Section 18(1) of the Act spells out the consequences if the promoter fails to complete or is unable to give possession of an 9 of 10 apartment, plot, or building in terms of the agreement for sale. The allottee/home buyer holds an unqualified right to seek a refund of the amount with interest as prescribed."

63. Further, as earlier observed, the Hon'ble Bombay High Court in *Neelkamal Realtors Suburban Pvt. Ltd. v. Union of India* [(2017) SCC Online Bom 9302] clarified that RERA registration or its extension cannot rewrite the contract between parties. The date assured under the Agreement of Sale, executed with the allottee's consent, shall prevail. The Respondent is bound by Section 11(4)(a) of the RE(R&D) Act, 2016. However, in the present Complaint, no copy of Agreement of Sale has been produced before this Authority and, consequently, no possession date is available on record. In such circumstances, the only valid ascertainable date for determining delivery of possession is the date of execution of the Sale Deed. Once the Sale Deed was executed, the Respondent was under an obligation to hand over possession of the scheduled property to the Complainant. The Respondent has failed to do so. Accordingly, for the purposes of assessing delay and computing the interest payable, the date of execution of the Sale Deed shall be treated as the date on which possession ought to have been delivered.

64. Thus, in the present case, the Authority finds the Respondent in clear breach of both contractual and statutory obligations. Accordingly, the Complainant is entitled to interest at the prescribed rate from 13.08.2022 till actual possession is handed over.

65. As regards the prayer for compensation, this Authority notes that such claims fall within the jurisdiction of the Adjudicating Officer under Section 71, for which the Complainant is at liberty to pursue a separate application in Form 'N'.

66. This Authority cannot remain oblivious to the larger pattern of violations. It is noted with grave concern that more than fifty complaints have already been received against this very Respondent in respect of the subject project. Such repeated defaults and false assurances strike at the very root of the confidence that homebuyers are entitled to repose under the protective framework of the RE(R&D) Act.

67. The Statement of Objects and Reasons of the RE(R&D) Act, 2016 explicitly emphasizes "greater accountability towards consumers and to inject transparency, efficiency, and discipline in the real estate sector". The conduct of the Respondent herein is in gross derogation of that legislative mandate. If such violations are permitted to persist, the very soul of the Act would stand diluted and the protection promised to allottees rendered illusory.

68. Accordingly, this Authority hereby sternly warns the Respondent promoter that any further default, non-compliance, or failure to deliver possession within the assured statutory timelines or any fresh grievances brought to notice by allottees shall invite invocation of Section 63 of the RE(R&D) Act, 2016.

69. This Authority shall not hesitate to take the strictest view in future, for the RE(R&D) Act, 2016 was enacted not as a mere regulatory framework but as a beneficial legislation to protect innocent homebuyers from the very malaise exemplified by the conduct of this Respondent.

G. Directions of the Authority:

70. 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 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.
- c. The extension of registration taken by this Respondent cannot dilute the contractual rights of the Complainant. The date of possession shall be the date of execution of the Sale Deed.
- d. The Respondent is held liable for failure to hand over possession of the subject flat by the stipulated date i.e., 12.08.2022.
- e. The Complainants are entitled to interest at the rate of 10.7% per annum (being SBI MCLR + 2% as per Rule 15 of the TG RE(R&D) Rules, 2017), computed on the amounts paid, with effect from 13.08.2022 until actual handing over of lawful possession. 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.

71. 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.

72. The complaint is accordingly allowed in part, in terms of the above directions.

73. 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.

74. 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

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

