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

Complaint No. 241 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

Shri. Paluru Chandra Dheeraj
R/o. Flat No. 401, Venkat Diamond, Matrusri Nagar,
Miyapur, Hyderabad, Telangana - 500049

…Complainant

Versus

M/s. Vasavi Realtor LLP,
Rep by its Designated Partner, Yerram Vijay Kumar,
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 in the project "Vasavi Lake City" in 2021, based on the advertisements, personal interactions with the marketing team, and the website information of the Respondent, which highlighted the project as a well-planned and timely development. The purchase was made with the expectation that the Respondent would deliver the flat within the promised timeframe.

4. It is stated that as per the agreed terms, the Complainant made 90% of the payment towards the flat, believing that the project was on track. The builder, Sri Vijay Kumar Yerram, had personally assured that the handover would take place by August 2023, and that possession could even be expected before the committed deadline. As per the Agreement, the handover date is August, 2023 plus 6 months of grace period.

5. It is contended that despite these assurances, the project faced repeated and unjustified delays and, as of February 2025, remained incomplete. The Respondent allegedly postponed the handover dates on multiple occasions, provided vague reasons, and failed to communicate a clear and firm timeline. Having already paid 90% of the amount, the Complainant stated that this delay caused uncertainty and financial distress, significantly impacting plans and investments.

6. It is further submitted that as of January 2025, the project was only 60% to 70% completed, with no major work carried out thereafter. Key aspects such as interior finishing, common amenities, and supporting infrastructure remained incomplete. Despite multiple follow-ups, the Respondent allegedly failed to provide any roadmap or completion schedule, leaving the Complainant and other homebuyers frustrated and anxious. It is further submitted that the lack of visible progress and absence of proper communication have further raised doubts whether the Respondent is genuinely committed to complete the project.

7. The Complainant alleged that the continued delay in possession constitutes a violation of the provisions of the RE(R&D) Act, 2016, as the Respondent failed to deliver the project within the stipulated timeline without valid justification. By collecting 90% of the payment upfront, and failing to fulfil contractual obligations, the Respondent has allegedly breached the statutory requirements. The Complainant stated that the delay has caused financial strain, mental stress, and emotional distress, and therefore sought intervention of this Authority for urgent directions, financial compensation, and strict action against the Respondent.

B. Relief(s) Sought:

8. Accordingly, the Complainant sought the following reliefs:

i. To direct the Respondent to complete the construction and hand over possession of the flat at the earliest. Seeking immediate action to ensure that the remaining work is

completed within a fixed and enforceable timeframe, failing which strict penalties should be imposed on the builder.

ii. To direct the Respondent to pay interest on the total amount paid by the Complainant from the promised possession date of August 2023 until the actual date of handover along with interest at the prescribed rate under RERA for the entire delay period.

iii. To direct the Respondent to pay compensation for the inconvenience, and financial losses incurred as a result of the prolonged delay, and if the Respondent further delays and doesn't show the intent of completing the project, then to direct the Respondent to pay amount at the current market selling price while the Complainant dropout of the Agreement.

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 vide booking dated 19.03.2021, and was allotted an apartment No. W.20501 on the 5th Floor of Tower 2, admeasuring 1915 sq. ft., along with parking, for a total consideration of Rs. 84,36,800/-. The Agreement of Sale sets out the carpet area, balcony/veranda area, common area, and undivided share of land. The Complainant has paid Rs. 21,00,000/- towards the sale consideration, while the balance amount remains payable in accordance with the agreed payment schedule.

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. At the very outset, it is submitted that all statements and averments claimed in the counter filed by the Respondent are denied in toto, except those which are matters of record or specifically admitted. The averments made by the Respondent are devoid of merit and far from truth. The complaint already filed may be read as part and parcel of this rejoinder, and the Complainant reserves the right to file any additional pleadings if necessary.

19. It is submitted that the decision to purchase Flat No. 02-501, Tower-2, West Wing, Vasavi Lake City, was taken only because of the Respondent's categorical assurances of timely possession, with confidence further built by repeated promises that delivery would be well within the committed time frame.

20. It is further submitted that over time, this trust was broken as the Respondent displayed irresponsible conduct, repeatedly postponing possession, offering unreasonable excuses, and giving false promises. Despite the Complainant's repeated follow-ups, meetings were rarely scheduled, and when held, they only resulted in further false assurances. After exhausting all efforts, the Complainant had no option but to seek justice before this Hon'ble Authority.

21. It is submitted that the complaint has been filed under Section 31 of the RE(R&D) Act, 2016, and the Agreement of Sale dated 15.06.2021 clearly stipulates the possession date as

31.08.2023. Till date, possession has not been handed over. The filing of the complaint is therefore fully maintainable.

22. It is further submitted that the Dispute Resolution clause in the Agreement only required initial attempts at mutual discussion, which were duly made by the Complainant but consistently evaded by the Respondent under excuses such as unavailability of management, hospitalization, or shifting responsibility between teams. Even when meetings were reluctantly scheduled, false promises were made. Thus, the Complainant has fully complied with the Agreement before approaching this Authority.

23. It is submitted that there is no requirement under RERA to issue a legal notice before filing a complaint under Section 31, and therefore, the Respondent's objection on this ground is frivolous and intended only to delay the proceedings.

24. It is further submitted that the Respondent's rights to development and registration are not disputed as a matter of record. However, having registered the project with RERA, the Respondent is bound by statutory duties, including timely delivery as per the Agreement. Instead of adhering to these obligations, the Respondent has indulged in excuses, displaying complete disregard for commitments and process of law.

25. It is submitted that the Agreement dated 15.06.2021 expressly records possession to be delivered by 31.08.2023. The Complainant has duly performed obligations, having paid 90% of the sale consideration by June 2023, and stands entitled to remedies under Sections 18(1) and 19(4) of the Act.

26. It is further submitted that extension of the project registration up to 2026 does not authorize the Respondent to default on delivery. Section 19 of the Act entitles allottees to information, progress reports, and timely delivery, none of which have been complied with. The Respondent continued to make false assurances even beyond August 2023 and now casually proposes delivery by 2026, which cannot be accepted unless accompanied by financial accountability.

27. It is submitted that possession is a condition precedent for the balance 10% payment. Having already paid 90% of the sale value, the Complainant is entitled to withhold further payments until lawful possession is given. It is further submitted that Clause 7.1 of the Agreement stipulates possession by August 2023 with six months' grace only in case of force

majeure. Even on that basis, possession should have been given by February 2024, but even today there is no offer of possession. Invocation of force majeure is unsubstantiated, never notified to the Complainant, and cannot override statutory rights under Section 18(1).

28. It is submitted that reliance on Clause 7.2 is misplaced, as the precondition of obtaining Occupancy Certificate has not been met. It is further submitted that defamatory allegations made against the Complainant are baseless, unsubstantiated, and only intended to divert from the core issue of failure to deliver possession. The Respondent's shifting of timelines from August 2023 to February 2024, then October 2024, and now February 2026, proves deliberate procrastination.

29. It is submitted that the Agreement was executed well after the pandemic disruptions, and by 2021 economic activity had revived. The prolonged delay from 2023 to 2025 cannot be attributed to COVID-19, but only to the Respondent's mismanagement. Section 19(4) of the Act entitles the Complainant to refund, interest, and compensation in case of failure to deliver possession in terms of the Agreement. It is further submitted that judicial precedents cited by the Respondent relating to limitation are wholly irrelevant to the present case, where the issue is the builder's contractual and statutory failure under RERA.

30. It is submitted that repeated reliance on COVID-19 as force majeure is a mere excuse to conceal mismanagement, since the Agreement itself was entered into in June 2021, after the pandemic period. No evidence of timely notice or mitigation has been provided. It is further stated that vague references to "various additional factors" are unsupported and cannot justify the delay. If indeed 90% of construction is complete, possession should have been offered; the continued delay is deliberate.

31. It is submitted that the attempt to describe the binding Agreement as a "clerical or typographical error" is dishonest and alarming. The date of 31.08.2023 was consistently recorded and never corrected. Such conduct amounts to misrepresentation. It is further submitted that derogatory allegations against the Complainant are diversionary. Documentary evidence such as the Agreement, payment receipts, MOMs of meetings, and correspondence have already been produced, establishing delay and false promises.

32. It is submitted that pending litigations with third parties cannot be used as a blanket excuse to penalize buyers. It was the duty of the Respondent to ensure clear title and proactively disclose any disputes. Instead, they are now raised belatedly to justify the delay.

33. It is submitted that the Complainant's claim for interest is squarely within Section 18 of the Act. The extension obtained belatedly in January 2025, citing force majeure of 2020, is irrelevant and unsustainable. It is also stated that the hardship faced by the Complainant, having paid 90% of the sale price, yet continuing to live in a rented flat for over two years beyond the promised date, has caused severe financial and emotional distress.

34. It is submitted that extension of project till 2026 does not absolve liability. The Complainant never consented to such extension. The Respondent's reliance on manual excavation or rocky terrain is untenable, as such risks were foreseeable and within their responsibility.

35. In view of the above, it is humbly prayed that the contentions of the Respondent be rejected, the complaint be allowed, and to pass suitable orders with regard to compensation considering the facts and circumstances of the case.

E. Points for Consideration

36. 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:

37. The Respondent has raised an objection as to the maintainability of the present complaint on the ground that the Complainants failed to first resort to the contractual dispute resolution mechanism envisaged in the Agreement of Sale, namely an amicable settlement by mutual discussion, prior to approaching this Authority. The Authority finds this objection untenable for the following reasons:

The relevant Dispute Resolution clause in the Agreement of Sale is reproduced below for ready reference:

"33. Dispute Resolution clause in the Agreement of sale executed between the parties, the said clause stated that all or any disputes arising out ot touching upon or in relation to the terms and conditions of this Agreement, including the interpretation and validity of the terms thereof and the respective rights and obligations of the Parties, shall be settled amicably by mutual discussion, falling which the same shall be settled through adjudication officer appointed under the Act."

38. It is clear from the above that the clause only requires the parties to attempt an amicable settlement by mutual discussion. Such a clause is at best directory and cannot oust or restrict the statutory jurisdiction of this Authority.

39. Section 79 of the RE(R&D) Act expressly bars the jurisdiction of Civil Courts in respect of any matter which this Authority, the Adjudicating Officer, or the Appellate Tribunal is empowered to determine. Likewise, Section 88 clarifies that the provisions of the RE(R&D) Act are in addition to, and not in derogation of, other laws. Thus, the intention of the legislature is that remedies under this beneficial legislation must remain open to allottees, irrespective of any private clause for amicable settlement.

40. Even in cases where agreements contained arbitration clauses (which is not the case here), the Hon'ble Supreme Court and the Hon'ble NCDRC have consistently held that such clauses cannot circumscribe the jurisdiction of consumer fora or statutory authorities constituted under special enactments.

41. In *National Seeds Corporation Ltd. v. M. Madhusudhan Reddy (2012) 2 SCC 506*, the Supreme Court held that remedies under special statutes are in addition to, and not in derogation of, other remedies. For ready reference, the relevant extract is reproduced below:

**"49. Support to the above view is also lent by Section 79 of the recently enacted Real Estate (Regulation and Development) Act, 2016 (for short "the Real Estate Act").*

Section 79 of the said Act reads as follows:-

'79. Bar of jurisdiction - No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Authority or the adjudicating officer or the Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action

taken or to be taken in pursuance of any power conferred by or under this Act.' It can thus, be seen that the said provision expressly ousts the jurisdiction of the Civil Court in respect of any matter which the Real Estate Regulatory Authority, established under Subsection (1) of Section 20 or the Adjudicating Officer, appointed under Subsection (1) of Section 71, or the Real Estate Appellate Tribunal established under Section 43 of the Real Estate Act, is empowered to determine. Hence, in view of the binding dictum of the Hon'ble Supreme Court in A. Ayyaswamy (supra), the matters/disputes, which the Authorities under the Real Estate Act are empowered to decide, are non-arbitrable, notwithstanding an Arbitration Agreement between the parties to such matters, which, to a large extent, are similar to the disputes falling for resolution under the Consumer Act.

56. Consequently, we unhesitatingly reject the arguments on behalf of the Builder and hold that an Arbitration Clause in the afore-stated kind of Agreements between the Complainants and the Builder cannot circumscribe the jurisdiction of a Consumer Fora, notwithstanding the amendments made to Section 8 of the Arbitration Act."

42. Similarly, in *Aftab Singh &Ors. v. Emaar MGF Land Ltd. &Ors. (Consumer Case No. 701 of 2015, decided on 13.07.2017),* it was held that arbitration clauses in builder-buyer agreements cannot oust the jurisdiction of consumer fora. The said view was later upheld by the Hon'ble Supreme Court in Civil Appeal Nos. 23512–23513 of 2017. The relevant para reads:

"25. This Court in the series of judgments as noticed above considered the provisions of Consumer Protection Act, L986 os well as Arbitration Act, 1996 and laid down that complaint under Consumer Protection Act being a special remedy, despite there being an arbitration agreement the proceedings before Consumer Forum have to go on and no error committed by Consumer Forum on rejecting the application. There is reason for not interjecting proceedings under Consumer Protection Act on the strength an arbitration agreement by Act, 1996. The remedy under Consumer Protection Act is a remedy provided to a consumer when there is a defect in any goods or services. The complaint means any allegation in writing made by a complainant has also been explained in Section 2(c) of the Act. The remedy under the Consumer Protection Act is confined to complaint by consumer as defined under the Act for defect or deficiencies

caused by a service provider, the cheap and a quick remedy has been provided to the consumer which is the object and purpose of the Act as noticed above."

43. In the present matter, there is only a clause requiring amicable discussion before invoking remedies. Such a clause is directory at best, and cannot override or defeat the statutory right of the Complainant to approach this Authority under the RE(R&D) Act, 2016. Accordingly, this Authority has no hesitation in holding that the Complainant is well within its rights to approach this forum without being first compelled to pursue an amicable settlement under the Agreement. The objection of the Respondent as to maintainability is therefore rejected.

Point No. 2:

44. The Complainants have sought relief on the ground that there has been an inordinate delay in handing over possession of the subject flat.

45. It is the case of the Complainants where Agreement of Sale was executed on 15.06.2021 between the parties, clearly stipulated that possession of the subject flat would be handed over by 31.08.2023, with a grace period of six months, ending on 28.02.2024. The Respondent has failed to hand over possession even as on date. Further, although the project was registered with TG RERA up to February 2025 and later extended until 07.02.2026, the project remains incomplete.

46. The Complainants submit that the Respondent has repeatedly given false assurances of completion, while allottees continue to suffer. 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?

47. This Authority finds no merit in such a contention. The Agreement of Sale was executed on 15.06.2021, well after the onset and subsiding of the Covid-19 pandemic. Having consciously undertaken such commitment, the Respondent cannot now, with retrospective

justification, rely on Covid-19 as a defence to escape its contractual and statutory obligations. Such conduct clearly amounts to holding out false assurances with mala fide intent.

48. 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, 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 31.08.2023 and six months of grace period.

49. 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…".*

50. 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.

51. Therefore, the plea of Covid-19 as a force majeure defence in the present case is wholly untenable. The Respondent, having executed the Agreement of Sale in the year 2021 with specific possession timelines, 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

52. 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.

53. At the outset, it must be clarified that under the scheme of the RE(R&D) Act, 2016.

> *"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."*

54. 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).

55. 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.

56. In the present matter, it is evident that the Respondent has unilaterally revised possession timelines first to 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"*

57. 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, and unilateral extensions by the promoter cannot be foisted upon allottees to their detriment.

58. 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:

59. It is observed as per the records furnished before this Authority that the entire sale consideration is for an amount of Rs. Rs.84,36,800/- (Rupees Eighty Four Lakh Thirty Six Thousand And Eight Hundred Only.) It is observed as per the said Agreement of Sale only an amount of Rs. 21,00,000/- (Rupees Twenty One Lakh Only) has been paid by the Complainant towards the sale consideration. However, it is duly noted as per the payment receipts placed before this Authority that the Complainant has paid a sum of Rs. Rs.79,72,776/- (Rupees Seventy Nine Lakh Seventy Two Thousand Seven Hundred And Seventy Six Only) which is over 90% of the total sale consideration amount. It is also observed that the Agreement of Sale unequivocally stipulates that possession was to be delivered by 31.08.2023, with a grace period of six months, i.e., up to 28.02.2024. Admittedly, possession has not been delivered within the stipulated period.

60. The Respondent's contention that 90% work is complete and that the Complainants have paid only a portion of the consideration is wholly unsustainable. The Complainants have already paid over 90% of the agreed consideration as per their averments. Despite receiving

such substantial sums, the Respondent has failed to honour its contractual obligations. It is manifest that the Respondent gave false assurances, being fully conscious of the market situation, yet assuring dates of completion that it had no capacity to honour. More than months has elapsed beyond the stipulated date, yet the project is neither complete nor possession handed over.

61. The Respondent further seeks to shift the burden on the complainant by contending that the balance amount is unpaid. This plea is untenable. The law does not permit a defaulter to take advantage of its own breach. As held by the Hon'ble Supreme Court in ***Kusheshwar Prasad Singh v. State of Bihar [Civil Appeal No. 7357 of 2000]:***

> *"It is settled principle of law that a man cannot be permitted to take undue and unfair advantage of his own wrong to gain favourable interpretation of law. It is sound principle that he, who prevents a thing from being done shall not avail himself of the non-performance he has occasioned. To put it differently, "a wrongdoer ought not to be permitted to make a profit out of his own wrong."*

62. In this context, it is pertinent to note that the Agreement of Sale linked the payment schedule to the progress of construction. While the allottees are indeed bound to adhere to the agreed payment plan, such obligation arises only when the promoter simultaneously fulfils its reciprocal obligation of executing construction in line with the assured progress. In the absence of such progress, the Respondent cannot insist upon further payments as a condition to claim relief.

63. Section 18 of the RE(R&D) Act is categorical and unconditional. It does not make the grant of interest contingent upon the quantum of sale consideration paid, nor does it provide any defence to a defaulting promoter. Once delay in handing over possession is established, an allottee who elects to remain in the project is entitled to interest for every month of delay, irrespective of whether part or whole of the consideration has been paid, provided that the payments already made are in accordance with the Agreement of sale. The Respondent's plea that only "partial sale consideration" has been paid and hence interest cannot be granted is therefore vague, misconceived, and contrary to the express mandate of the statute. Now, Section 18 of the RE(R&D) Act 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."

64. 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."

65. 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."*

66. 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. Thus, the Respondent is bound by Section 11(4)(a) of the RE(R&D) Act, which mandates adherence to the terms of the Agreement of Sale.

67. At the same time, if the Complainant has indeed defaulted in adhering to the payment schedule, the Respondent is not without remedy. Sections 19(6) and 19(7) of the Act confer upon the promoter a right to claim interest for delayed payments, as per Rule 15 of the Telangana RE(R&D) Rules, 2017. Nevertheless, such entitlement shall be subject to the Respondent producing cogent and substantive documents demonstrating both the stage-wise progress of construction and the corresponding default, and not merely based on unilateral assertions.

68. In the present case, this Authority finds the Respondent in clear breach of both statutory and contractual obligations. The Complainant is therefore entitled to interest at the prescribed rate for the entire period of delay, i.e., from 01.03.2024 until the actual date of handing over possession. As regards claims of compensation, this Authority notes that jurisdiction for adjudicating compensation lies with the Adjudicating Officer under Section 71 of RE(R&D) Act with *Form 'N'*. The Complainant is at liberty to pursue such remedy separately.

69. Accordingly, while the Complainant is entitled to relief under Section 18 of the RE(R&D) Act, this entitlement is subject to the reciprocal statutory duty of the Complainant to discharge any outstanding amounts under the payment plan, if not already paid. Compliance on both sides is essential to ensure balance of obligations and timely delivery.

70. 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, 2016.

71. The Statement of Objects and Reasons of the RE(R&D) Act 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.

72. 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.

73. 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.

74. The Respondent is hereby directed to complete the project and hand over possession to the Complainants within the stipulated period. It is further clarified that if the Complainants have defaulted in making payments as per the agreed schedule, the Respondent shall be entitled under Section 19(6) of the RE(R&D) Act, 2016 to claim interest on such delayed payments, provided that it substantiates such claim with credible documentary evidence of both construction progress and corresponding default.

75. In the event the Complainants have defaulted in making payments as per the agreed schedule, the Respondent shall be entitled, under Section 19(6) of the Real Estate (Regulation and Development) Act, 2016, to claim interest on such delayed payments in accordance with Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017. Nevertheless, such entitlement shall be subject to the Respondent producing cogent and substantive documents demonstrating both the stage-wise progress of construction and the corresponding default, and not merely based on unilateral assertions.

76. The Complainants are, in turn, directed to discharge any balance amounts due under the agreed payment schedule, if not already paid. Mutual compliance is essential to ensure timely completion and delivery of the project.

G. Directions of the Authority:

77. 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., 28.02.2024 (inclusive of grace period).

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 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.

h) 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.

78. 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.

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

80. 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.

81. As a result, the complaint is disposed of accordingly. No order as to costs.

Sd/-	**Sd/-**	**Sd/-**
Sri K. Srinivasa Rao,	**Sri Laxmi Narayana Jannu,**	**Dr. N. Satyanarayana, IAS (Retd.),**
Hon'ble Member,	**Hon'ble Member,**	**Hon'ble Chairperson,**
TG RERA	**TG RERA**	**TG RERA**