BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 137 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

Taru Trivedi
Plot no. 112,113 flat no. F4 Charitha Residency,
Mythri Nagar Phase 2,
Madinaguda, Hyderabad 500050

…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 was submitted that the Complainant purchased a flat bearing no. W 07 14 09 in the project "Vasavi Lake City West" 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 was stated by the Complainant that as per the agreed terms, the Complainant made 100% 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 2024, and that possession could even be expected before the committed deadline.

5. It was 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 100% of the consideration, the Complainant stated that this delay caused uncertainty and financial distress, significantly impacting plans and investments.

6. It was 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.

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 100% 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 Respondent.

ii. To direct the Respondent to pay interest on the total amount paid by the Complainant from the promised possession date of August 2024 until the actual date of handover, at the rate prescribed under Section 18 of the Act, 2016.

iii. To direct the Respondent to pay compensation for the undue stress, inconvenience, and financial losses incurred as a result of the prolonged delay.

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 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 submitted by the Respondent that the Respondent has obtained permission to convert the land and secured building permission for construction of multi-storied residential apartments dated 7th February 2020. The project comprises Towers 1 to 7 with cellars plus ground and 14 upper floors, and a clubhouse consisting of one stilt plus five upper floors, over a total land area of 40,869 sq. yds.

11. It is submitted by the Respondent that after securing all necessary permissions from competent authorities, the project was duly registered with this Hon'ble Authority vide Registration No. P02500001819 dated 20 March 2020.

12. It is submitted by the Respondent that the Applicant was allotted Apartment No. W-71409 on the 14th floor in Tower No. 7 vide booking dated 23-07-2022, having a total area of 1845 sq. ft. along with permissible parking. The agreement specifies a carpet area of 1124 sq.

ft., veranda/balcony area of 267 sq. ft., common area of 401 sq. ft., and an undivided land share of 49.82 sq. yds. The total sale consideration agreed is Rs. 1,00,00,000/-. The Respondent was entitled to extension of the project registration as per law, and construction progress was periodically intimated to all concerned.

13. It is submitted by the Respondent that no alterations could be made to the sanctioned plan or specifications as set out in Schedules D and E, and the Petitioner has paid an amount of Rs. 20,80,627/- as per Schedule C, with the remaining payments also stipulated therein.

14. It is submitted by the Respondent that Clause 5 of the agreement requires the promoter to abide by the time schedule disclosed at the time of registration. Clause 7.1 emphasizes timely delivery of possession as the essence of the agreement and provides a commitment date of 31 August 2024 with a six-month grace period, subject to force majeure. Any delay due to force majeure automatically extends timelines without liability for delay compensation. The delays in the project fall squarely within force majeure conditions.

15. It is submitted by the Respondent that as per Clause 7.2, possession shall be offered in writing after obtaining the occupancy certificate, and the allottee must take possession within two months. Clause 9 specifies the promoter's liability in case of default.

16. It is submitted by the Respondent that the complaint is false and suppresses material facts, filed with an ulterior motive to derive unlawful gain. While the existence of the agreement of sale is admitted, the complainant is attempting to mislead this Hon'ble Authority despite full knowledge of its terms.

17. It is submitted by the Respondent that the Hon'ble Authority is aware of the nationwide and global medical emergency caused by COVID-19, declared by WHO in January 2020, which severely affected all sectors including real estate development.

18. It is submitted by the Respondent that the nationwide lockdown imposed from March 2020 had a profound impact on construction activities. The Hon'ble Supreme Court extended limitation timelines in Suo Motu WP No. 3/2020, excluding the period 15.03.2020 to 28.02.2022, demonstrating legally recognized disruption in activities.

19. It is submitted by the Respondent that Project Lake City West received GHMC sanction on 07-02-2020, immediately before the outbreak. Migrant labourers—critical to construction—

returned to their hometowns due to lockdown restrictions, causing unavoidable delays. All allottees were informed accordingly.

20. It is submitted by the Respondent that additional unforeseen factors also impacted the project timeline and were duly communicated to customers.

21. It is submitted by the Respondent that allegations of repeated delays are baseless. Minor clerical errors in the agreement of sale cannot be exploited to allege delay. A project of such magnitude could not have been completed earlier, particularly under force majeure conditions.

22. It is submitted by the Respondent that the complainant's allegations are unsupported by evidence and intended only to harass. The project was validly registered until 07-02-2025 and further extended to 07-02-2026.

23. It is submitted by the Respondent that third-party disputes also contributed to delays, several of which have been disposed of. Regular communications were issued informing allottees of delays and phase-wise completion.

24. It is submitted by the Respondent that the claim for interest is untenable since the delay arose from force majeure conditions recognized under Section 6 of the Act, including natural calamities such as the COVID-19 pandemic.

25. It is submitted by the Respondent that the claim for compensation is arbitrary and unsubstantiated. No evidence of loss, injury, mental agony, or harassment has been produced. The Respondent has acted diligently and continues to work toward completion.

26. It is submitted by the Respondent that the Respondent shall deliver the flats on or before February 2026 in accordance with the extension granted. More than 90% of the work has been completed, whereas the complainant has paid only 75% of the agreed consideration and remains in arrears under Schedule C.

27. It is submitted by the Respondent that once the complainant has accepted COVID-19 as a cause for delay, compensation cannot be sought without exceptional justification, which is absent. Additional delays also arose due to rocky terrain requiring manual excavation as blasting was not permitted.

28. It is submitted by the Respondent that the complainant is not entitled to any relief as the delays were entirely beyond the Respondent's control.

29. It is submitted by the Respondent that the complaint is frivolous, misleading, and devoid of merit. The Respondent has a consistent record of timely delivery and undertakes to complete and deliver the project as per the extended timeline.

D. Rejoinder filed by the Complainant:

30. It is submitted by the Complainant that RERA is required to consider the Date of Agreement for Sale and not the booking date. The Respondent (Vasavi LLC) has never proactively communicated any delay or progress in construction to the Complainant, despite the Complainant's repeated follow-ups. The project schedule was shared only after persistent reminders, and even thereafter, the Respondent has failed to adhere to the timelines promised.

31. It is submitted by the Complainant that the baseless, vague, and defamatory allegations made by the Respondent are categorically denied. The Respondent's statements are wholly unsubstantiated and appear to be a deliberate attempt to malign the Complainant's lawful grievance and divert attention from the real issue—the Respondent's failure to deliver possession of the allotted unit within the agreed timeline.

32. It is submitted by the Complainant that as per the Agreement for Sale (AOS), duly executed by both parties, the agreed possession date was 31st August 2024, a date never disputed by the Respondent. However, nearly two years have passed since the committed delivery date, and possession has still not been handed over. The delay is inordinate, unjustified, and solely attributable to the Respondent.

33. It is submitted by the Complainant that the allegation that this complaint has been filed with ulterior motives or to derive unlawful gain is completely false. Approaching this Hon'ble Authority under Section 31 of the RERA Act is a statutory right of an aggrieved allottee, and such claims by the Respondent are contemptuous, derogatory, and indicative of disregard for due process and the law.

34. It is submitted by the Complainant that full disclosure of all relevant material—including the AOS, payment proofs, email correspondence, and records of repeated delays—has been made. In contrast, the Respondent has failed to honour multiple promised possession

timelines and is now seeking an additional extension of nearly 8 months, clearly indicating deliberate delay and an attempt to extract unlawful benefit at the cost of the Complainant.

35. It is submitted by the Complainant that the Agreement for Sale was executed after the COVID-19 pandemic period. Therefore, COVID-19 cannot be used as a justification for the delay in this project. The delays occurred primarily from 2023 onwards, a time during which no COVID restrictions were in effect.

36. It is submitted by the Complainant that the entire structure of Tower 7 (West Wing) was completed nearly 18 months ago, yet no demand letter has been issued since October 2023. This clearly shows that no further construction work or progress took place during this extended period, and the Respondent intentionally stalled the project.

37. It is submitted by the Complainant that the Respondent themselves communicated three different possession dates:

1. First possession date – August 2024,
2. Second possession date – February 2025,
3. Third possession date – June 2025,

All of which remain unfulfilled. No proactive communication was ever issued to the Complainant regarding delays or revised timelines.

38. It is submitted by the Complainant that Section 18 of the RERA Act squarely applies to this case, as there is a delay of more than two years from the agreed date of possession, despite the Complainant having already paid 80% of the total consideration to the Respondent. The promoter is legally obligated to pay interest for every month of delay and compensation as per law.

39. It is submitted by the Complainant that the Respondent is acting unlawfully in demanding the remaining 10% of the amount even before completing the construction and without issuing any proper demand notice. Such conduct is contrary to the RERA Act, the Agreement for Sale, and established principles of consumer protection.

40. It is submitted by the Complainant that the absence of any demand letter after October 2023 itself confirms that construction progress was completely stalled, and therefore the

Respondent cannot take shelter under COVID-19 to justify delays that occurred long after the pandemic period.

E. Points for Consideration

41. 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:

42. 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:

43. 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."*

44. 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.

45. It must be noted that Section 79 of the RE(R&D) Act, 2016 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.

46. 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.

47. 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."**

48. 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 ercor 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."

49. 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. 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:

50. The Complainant has sought relief on the ground that there has been an inordinate delay in handing over possession of the subject flat, despite full timely payments of the total sale consideration, causing significant financial and emotional distress.

It is the case of the Complainant that the Agreement of Sale as executed in the year 2022 clearly stipulated that possession of the subject flat would be handed over by 31.08.2024, with a grace period of six months, ending on 28.02.2025. The Respondent has failed to hand over possession even as of February 2025. Further, although the project was registered with TG RERA up to February 2025 and later extended until 07.02.2026, the project remains incomplete, with construction progress stalled at approximately 60-70% as per the Complainant's submission, with key aspects such as interior finishing, common amenities, and supporting infrastructure remaining unfinished. The Complainant submits that the Respondent has issued multiple revised handover schedules without providing valid justification or a clear roadmap for completion.

51. 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?

52. This Authority finds no merit in such a contention. The Agreement of Sale was executed in the year 2022, well after the onset and initial impact of the Covid-19 pandemic. The Respondent, being fully aware of the prevailing circumstances, nevertheless executed the Agreement by specifically assuring completion of the project by August 2024. Having consciously undertaken such commitment, 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.

53. 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 August 2024.

54. 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…".*

55. 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.

56. 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 2022 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

57. 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.

58. 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."*

59. 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).

60. 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.

61. 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"

62. 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.

63. 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:

64. It has been observed by this Authority that the total sale consideration is for an amount of Rs. 1,00,00,000/- (Rupees One Crore Only). That, as per the Agreement of Sale the Complainant has paid an amount of Rs.20,80,627/- (Rupees Twenty Lakh Eighty Thousand Six Hundred And Twenty Seven Only). As per the submissions made by the Complainant herein, entire sale consideration amount has been duly paid to the Respondent. However it is observed that as per the payment receipts placed before this Authority that only a sum of Rs. 40,76,627/- (Rupees Forty Lakh Seventy Six Thousand Six Hundred And Twenty Seven Only) has been duly paid by the Complainant herein towards the sale consideration. Further, the Agreement clearly stipulated possession by 31.08.2024, with a grace period of 6 months to 28.02.2025. Admittedly, possession has not been delivered.

65. The Respondent's contention that 90% work is complete and that the Complainants have paid only a portion of the consideration is wholly unsustainable. As per the Complainants averments, full agreed sale consideration has been paid. However as has been observed before, as per the payment receipts placed before this Authority that only a sum of Rs. 40,76,627/- (Rupees Forty Lakh Seventy Six Thousand Six Hundred And Twenty Seven Only) has been duly paid by the Complainant herein towards the sale consideration. 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 one year has elapsed beyond the stipulated date, yet the project is neither complete nor possession handed over.

66. 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"*

67. 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.

68. 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."

69. 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."

70. 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."*

71. 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.

72. 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.

73. 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.

74. Accordingly, while the Complainant is entitled to relief under Section 18 of the RE(R&D) Act, 2016 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.

75. 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.

76. 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.

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.

77. This Authority shall not hesitate to take the strictest view in future, for the Act 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.

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 Act to claim interest on such delayed payments, provided that it substantiates such claim with credible documentary evidence of both construction progress and corresponding default.

78. 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.

79. 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:

80. 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.

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.

81. 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.

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

83. 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

84. 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**