

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

**Complaint No. 254 of 2025**

**Dated: 5<sup>th</sup> October 2026**

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

**Between**

**1. Cherukuri Hema**

**2. Cherukuri Vijaya Chandar**

*(R/o M-4-204, Chitrapuri Colony,  
Manikonda, Hyderabad- 500089,  
Telangana)*

**...Complainants**

Versus

**M/s. PBSR Developers Pvt. Ltd., Rep by**

**1. Ms. Romana Parvi**

**2. Ms. Kavitha Shirvaikar (Managing Director)**

**3. Mr. Kishan lal daga (Whole Time Director)**

*(R/o. Door No. 8-2-293/82/A/76,  
First Floor, Road No.9A,  
Jubilee Hills, Hyderabad-500033)*

**...Respondents**

The present matter filed by the Complainants mentioned herein above came up for hearing before this Authority in the presence of the Complainant and respondent. Upon hearing the submissions of all the parties, this Authority proceeds to pass the following **ORDER:**

2. The present Complaint has been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate relief(s) against the Respondent.

**A. Brief facts of the Case as per Form M filed by Complainant**

3. The complainants have purchased a flat bearing No. B-1109, on the floor of B Wing Block, "Smondo Gachibowli" project in Sy. No. 31P, 32P, Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, admeasuring 1400 Sq. ft of super built up area and 40.05 Sq.M (47.899 Sq. Yards) undivided with sale consideration of Rs. 72,42,000/- on 24-10-2016, and entered into an Agreement for Sale on 09-01-2017.

4. The builder promised to hand over the possession on or before 31.12.2017 with a grace period of Six months. i.e., on 30.06.2018 according to the agreement. The amount was paid nearly 85% along with Home loan from ICICI bank. The complainant is paying Rs. 38,791/- per month as EMI for the housing loan and Rs. 2191/- per month as Insurance for the loan. The builder did not register their flat and did not receive Occupation Certificate from concerned departments, and is delaying property possession, resulting them to pay huge rent per month

outside.

**B. Relief(s) Sought:**

5. In view of the above-mentioned facts and circumstances, the complainant has humbly prayed for the following reliefs:

- i. *In the agreement (2 cellars + stilte + 16 upper floors) with 40.05 sq m as undivided share to be register along with 1400 Sqft construction area for the unit, later the PBSR developers took permission for G+20 floors resulting in reduction of undivided share. Builder should compensate the difference amount according to the market value for the reduced undivided land share per sq m.*
- ii. *Builder has to register the property immediately as the banker is pressuring them to submit the registered documents. The builder has to hand over the possession along with all amenities mentioned in the Brochure with immediate effect.*
- iii. *Due to Builder negligence and wrong commitment, causing them huge burden by paying EMI'S on particular property and rent outside even after purchasing the flat from all their savings. The rent as per the agreement RS 5/- for sft from 30-6-2018 to till date to be paid and register the flat immediately, In case of failure in possession and registering property, the builder has to pay the monthly rent as per the rental value of the property. Builder has pay the compensation of 5 lakhs for mental agony, inconvenience and hardship, caused by PBSR developers and builders all these years by their reckless and irresponsible behaviour. Requesting Hon'ble authorities to make justice by giving order directing the Builder to register the property immediately with rent compensation and undivided land share compensation according to the market value per sq m*
- iv. *To direct the Respondent to pay interest to the Complainants as per Section 18 of the Real Estate (Regulation and Development) Act, 2016, read with applicable Rules, from the agreed date of possession, i.e., 30.06.2018, till the date of actual possession and registration of the subject flat.*
- v. *To direct the Respondent to hand over possession of the subject flat and execute registration in favour of the Complainants, along with obtaining an Occupancy Certificate from the competent authority.*
- vi. *Direct the Respondent to register the agreed undivided share of land (UDS) in favour of the Complainants; and in the event of any alteration or reduction of the said UDS, direct the Respondent to pay to the Complainants an amount equivalent to the prevailing Local market value of the proportionate land share, based on actual market*

*transactions and comparable sales in the locality along with compensation for consequential losses and diminution of rights.*

- vii. *To direct the Respondent to pay delay compensation at the rate of Rs. 5/- per sq. ft. as agreed in the Agreement of Sale, till the date of actual delivery of possession.*
- viii. *To award compensation for mental agony and financial loss as deemed fit.*
- ix. *To pass such other order(s) as this Hon'ble Authority deems fit and proper.*

### **C. Counter filed by Respondent**

6. The present complaint has been filed by the complainants herein against the respondents seeking compensation

7. At the outset, the Respondent No.1 denies all allegations and/or contentions and/or averments contained in the said Complaint in toto. Nothing stated in the said Complaint shall be deemed to have been admitted by the Respondent No. 1 for want of specific traverse, unless the same is expressly admitted herein and the Complainant attempted to misled the authority

8. Respondent No.1 states that Respondent Nos. 2 to 5 are not necessary parties; although it may have been thought desirable to have them as Respondents, their position is that of 'proforma' Respondents only.

9. The Respondent No.1 states that vide the said Complaint, the Complainants are allegedly seeking, inter alia, registration and possession of the Flat No. B 1109 in B Wing in the project known as Smondo Gachibowli situated at Gachibowli Village, Serilingampally Mandal, R.R. District. The Complainant submits that the Respondent have right to keep the construction of the project or its part in abeyance at its discretion or due to factors beyond its control, and if such contingency happens, the Complainants have agreed that, Complainants shall not have any right to raise any dispute or claim whatsoever and in such a case Complainants shall be entitled to refund of the entire amount till then without interest. It is respectfully submitted that the Complainants are educated, having an in-depth understanding, who have signed, entered into and executed the Sale Agreement with open eyes, evaluating its pros and cons and therefore nothing can be added or detracted from the terms and conditions of the Contract. i.e Sale Agreement. The Complainants have signed the Sale Agreement and hence are bound by the terms of the Agreement. Therefore, Sale Agreement executed by and between the parties towers above the rest. Hence Complaint is liable to be dismissed for want of cause of action against the Respondent No 1. Therefore, it is submitted that, the Complainant is not entitled for any penalty which is inclusive of damages, claims and compensation for harassment, mental agony and hence are denied as false and frivolous.

10. With respect to the allegation of said Complaint, it is denied that the Respondent have

failed to deliver possession of the said Flat to the Complainants as alleged. The Respondent have time and again informed the Complainants that project was also forced to be delayed at various times for the reasons beyond their control, like: heavy rains and monsoon in the city resulted in flood waters, due to which construction was stopped for a substantial a period. Sand Strike, Disruption of supply of Cement. Transporters Strike etc. Respondent No 1's ordeal did not stop over here. To add fuel to fire, Respondent No. I being a Patel Venture its holding Company i.e Patel Engineering Limited which is an infrastructure company which undertakes various works for the government, both, central and state and has large receivables stuck with the government. Due to various delays. including delay in receivables from the government, the company faced liquidity concerns and underwent into debt restructuring with its lenders, pending closure of the same as management had to concentrate and focus on the same to make it right and successful, has unknowingly failed to concentrate on the project and hence the project was at standstill. As a result, the Respondent No 1 undertook various steps to control costs and improve its liquidity position in its holding company. Further due to the Covid-19 pandemic and the subsequent lockdowns imposed by the Central and State Governments (i.e. a Force Majeure event), the competition date of the project was extended. Further, the Respondent No. I also stated therein that even after the aforesaid lockdowns were lifted, there was an unprecedented acute shortage of workmen and laborers throughout the country since a majority of them had moved back to their hometown due to the pandemic and accordingly, due to such a situation, there was a delay in completion of the said project which was evidently beyond the control of the Respondent.

11. It is submitted that the Complainants have signed, entered into and executed the Sale Agreement with open eyes evaluating its pros and cons, the terms therein are binding on the parties. Hence, nothing can be added or detracted from the terms and conditions of the Contract. i.e Sale Agreement. It would be apposite to refer to an observation of the Hon'ble State Commission, West Bengal in the case of Mr Tapash Roy v/s Havelock Properties Limited (Complaint Case No. CC/247/2014), wherein the Hon'ble State Commission has observed as follows: *"Needless to say, the parties are bound by the terms of the agreement. Both the parties have signed the agreement with open eyes evaluating its pros and cons and therefore, nothing can be added or detracted from the terms and conditions of the contract."*

The Hon'ble State Commission for recording aforesaid finding relied on a Judgment of the Hon'ble Supreme Court of India reported in AIR 1996 SC 2508 tilted as Bharti Knitting Co vis DHL. Worldwide Express Courier Division of Airfreight Limited, wherein the Hon'ble Supreme Court has observed thus:

*"In an appropriate case where there is acute dispute of facts necessarily Tribunal has to refer the parties to original Civil Court establish under CPC or appropriate State Law, to have the claim decided between the parties. But when there is the specific term in the contract, the parties are bound by the contract."*

12. Therefore, it is submitted that, the Complainants are not entitled for any penalty or compensation which is inclusive of damages, claims and compensation, as per the Clause 2 of Sale Agreement, which is signed executed and entered by open eyes after weighing pros and cons, thus agreed upon by the Complainants who are very well educated. Further, the Respondent No. 1 submits that, by making such an averment the Complainant is trying to prejudice this Hon'ble Commission against the Respondent No. 1. The clause no 22 is mentioned in the Agreement for Sale only as a deterrence, to be invoked only in peculiar cases of habitual defaulters, so as to avoid defaulters, evading to make payment on unwarranted grounds, or else it will be difficult for Respondent No. 1 to be able to carry out the maintenance of the Project in a stipulated time frame, due to which other Bonafide customers would also suffer for no fault of theirs, as delay in the payment by the customers beyond the reasonable period would impose additional burden of the maintenance cost on the Bonafide customers who would take possession. Further vide several mails, the Respondent No 1. informed the Complainants the status of the construction and amounts due and payable by him, the Complainant is due of amounts. That since the answering Respondent has not charged any interest for the admittedly delayed payments, though they could have as per clause in the agreement, the Complainant cannot therefore rely upon the said clause/s to claim the same rate as mentioned therein. Thus, from this it can be inferred that the Complainants have approached this Hon'ble authority with unclean hands and with malafide intentions.

13. It is further submitted that, at the time of execution of Agreement for Sale, the Complainant was informed about the Respondent No 1's right to utilize full development potential of the plot and the same was also mentioned in the Clause 12 of the Agreement for Sale under the head The Purchaser covenants with the Developer as follows that Respondent No 1 shall be entitled to construct vertical/additional construction and Purchaser shall not construct and object to the same. The approval for the construction of additional floors was received in the year 2017 and the same was intimated to the Complainants vide mail dated November 11, 2017. Considering that the Complainants were aware of the revision to the Plan as early as 2017 and chose not to take action against the same then, as the Complainant was aware that vide Agreement for Sale, the Respondent No 1 has expressly derived the right to construct the additional floor in order to exploit the full development potential of the plot and

now in the instant complainant raising the grievance that same is contrary to the law after significant and inexplicable delay of more than 5 years by making such averment the Complainants are trying to prejudice this Hon'ble authority against the Respondent No. 1, therefore is not entitled for the compensation as prayed in the clause. The clauses of the agreement dated January 9, 2017, and more particularly clause nos. 5 and 12 under the heading "The Purchaser Covenants with the developer as Follows". That as per the said clauses and more particularly clause 5, the Respondent no. 1 Developer is entitled to utilize TDR of any other property on the said property, which obviously means that the Respondent no.1 will be entitled to construct further floors, as well as entitled to sell/transfer the development rights of the said property to any third party. The said clause further clearly states that the Developer in either of the cases ie the Respondent no.1, will not be entitled to pay any amounts to the purchaser or any one claiming through the purchaser. Further, clause 12 clearly states that development of the "Smondo Gachibowli" will be carried out in phase manner and the purchaser ie Complainant's in this case, will not object in any manner whatsoever to the Developer undertaking any construction activities in Smondo Gachibowli", including construction of additional floors as may be permitted/sanctioned in the future. The Respondent No 1 further submit that, the consequence of the aforesaid is obvious that the undivided share in the land, as stated in clause 2 of the agreement under the heading "Now this Agreement for Sale Witnesseth as Follows", would vary. That the same is also clear from the wordings used in the said clause no.2, relevant portion of which reads thus: *"together with an undivided share of land calculated as 0.243 % (point Two Four Three percent) equivalent to 431.15 square feet (40.05 sq. mtrs), considering the full potential of the said property more particularly described in the Schedule 'C' written hereunder, subject to the terms, conditions and covenants herein contained,"*

14. The Respondent No 1 submit that, thus the said undivided share of land stated in the agreement was subject to the terms, conditions and covenants stated in the agreement, which will include the clauses 5 and 12 referred supra. That without prejudice to the aforesaid submissions it is further submitted that, in any case the value of the flat/premises being purchased by the Complainants or for that matter any purchaser, is not affected by the proportionate undivided land share stated in the agreement. The same cannot be compared with a person purchasing an open plot of land and becoming 100% owner of the said plot. In that case, the said purchaser will become the 100% owner of the land and will be entitled to deal with the said plot in any manner whatsoever, including further selling the same, at his wish and will. However, the present scenario cannot be compared with the said situation. In the present

case a flat purchaser cannot at his whims and fancy separate/ divide and sell the undivided share in the land, as the same will always remain undivided and connected with the flat/ premises and be part of the entire plot/plots of land on which the layout is situated and there would be hundreds or thousands of joint owners, depending on the no. of flats constructed in a layout. Further since undivided share in land is impartible from the flat and cannot be severed and sold separately, hence is not marketable therefore Complainant's are not entitled for the difference in the Undivided share in the Land.

15. It is further submitted that the Respondent No 1 has endeavoured to explain the Purchaser/s including the Complainant that, the drainage, electricity, water, firefighting and other safety mechanism has been completed in all respect and would like to place on record the project comprising of Tower A & B as well as Service Apartment and the amenities building is completed in all respects. In order to substantiate the same, the Respondent No.1 craves leave to refer to rely upon the photographs annexed herewith. Thus it can be ascertained from the photographs that the project is completed. As a precondition for OC issuance, Respondent have gifted areas located at 7 places in the project to GHMC. With respect to lot No. 7 GHMC wanted Respondent No 1 to 5 to demolish the wall standing in between the No 7 and project. In the year 2022, when representatives of Respondent No 1, went to demolish, the Wall, Rolling Hills House Owners Association (RHHOA) now after lapse of 15 years, raised an objection before GHMC and have also filed litigations in lower as well as high court Hence apart from the same there no other objection and/or impediment which is stopping GHMC from issuing the OC as project is habitable.

16. The respondent No. I would like to place on record the project comprising of Tower A & B as well as Service Apartment and the amenities building is completed in all respects as per the plan sanctioned by GHMC. It is abundantly clear and evident from the photographs that project is complete in all aspects as per the plan approved by GHMC and is habitable and Respondent have applied for the OC in the March 2022, however as discussed above, the objection raised by Rolling Hills House Owners Association after lapse of 15 years and is trying to delay OC to satisfy their ulterior motives and approaching the Honourable High Court has hampered the above measures to be taken by the respondent No. 1.

17. The Respondent No 1 is ready to handover the possession to the Complainant on payment of balance consideration of Rs 21,68,938/- (Rupees Twenty One Lakhs Sixty Eight Thousand Nine Hundred and Thirty Eight Only) which is due and payable by the Complainant. The Respondent No 1 craves leave to refer to rely upon the same at the time of arguments.

18. The Respondent No 1 further states that at the time of execution of Agreement for Sale,

the Complainant was informed about the Respondent No 1's right to utilize full development potential of the plot and the same was also mentioned in the Clause 12 of the Agreement for Sale under the head The Purchaser covenants with the Developer as follows that Respondent No 1 shall be entitled to construct vertical / additional construction and Purchaser shall not construct and object to the same. The approval for the construction of additional floors was received in the year 2017, apart from this revision, there is no other revision in the plans. The Respondent No.1 further would like to place on record that vide Agreement for Sale, the Respondent No. 1 has expressly derived the right to construct the additional floor in order to exploit the full development potential of the plot and now in the instant complainant raising the grievance that same is arbitrary, illegal and contrary to the law after significant and inexplicable delay of more than 5 years by making such averment the Complainants are trying to prejudice this Hon'ble Commission against the Respondent No. 1.

19. As explained above, at the cost of repetition would like to place on record that, the Complainants have signed, entered into and executed the Sale Agreement with open eyes evaluating its pros and cons. There is no allegation of misrepresentation or coercion exercised for execution of the said agreement at that time or till today and apart from oral submission as mentioned in the Complaint. Thus, the said agreement of sale has been entered into between the parties, the terms therein are binding on the parties. That hence, nothing can be added or detracted from the terms and conditions of the Contract, ie Sale Agreement. The Complainant has signed the Sale Agreement and hence are bound by the terms of the Agreement. Therefore, any allegation to the contrary are denied as unenable. The Respondent No 1 respectfully submits that, considering the reasons as cited in above paragraphs and considering both the parties have signed the Sale Agreement are bound by the terms of the Agreement, hence Complainants are not entitled for any penalty or compensation, as per the Clause 2 of Sale Agreement, which is signed executed and entered by open eyes after weighing pros and cons. So also even if, as alleged, the project is delayed, it is so on account of the factors beyond the control of the Respondent No.1, more particularly enumerated in Point No. c above. Further though the Respondent No.1 was facing severe problems on various fronts as discussed above, and as the delay in the project was not deliberate and intentional and as Respondent No.1 have completed the project, keeping in mind the interest of the Unit Purchasers, so that no one is deprived of their homes with an intent to deliver the promises to the Unit Purchaser. Thus, the Complainants have miserably failed to establish and prove any trauma, hardship, mental agony and harassment caused to them and thus they are not entitled for special damages for sum of Rs. 5,00,000/-. Thus, considering all above the Complaint is liable to be dismissed for want of

cause of action and being misleading, frivolous and bad in law.

20. In view what is stated hereinabove, the Respondent No. 1 reiterates that it is ready and willing to deliver the possession of the said Flat to the Complainants upon the payment of the balance amount by the Complainant. With respect to the prayer clause of the said Complaint, the Respondent No. 1 denies that the Respondents are liable for damages @ 5 per Sq. Ft per month from 30.06.2017 till date of filing of the Complainant.

21. The Respondent No. I would also request Honourable Authority to consider the larger interest of other allottees of the said project, allowing interest, penalty and compensation to the complainant at this stage would mean money for the compensation will have to be taken out, which is meant especially for the completion of the project especially at a stage where the project is almost completed and awaiting for Occupation Certificate. The Respondent No.1 reiterates that the Complainants are not entitled to the aforementioned compensation for alleged delay and/or mental and/or physical and/or financial difficulty and for the alleged cost of the said Complaint as alleged.

22. In the circumstances aforesaid, the Respondent No. 1 states that the said Complaint deserves to be dismissed with compensatory costs.

#### **D. Rejoinder filed by Complainant**

23. The compensation demanded is as per the agreement at the time of purchase, owing to the delay of the project, the reduction in UDS (Undivided Share of Land), and the non-fulfilment of the promised rental and As stated in Point 2, our allegation is true and arises due to the harassment caused by the builder for not handing over possession of the flat, along with the Occupancy Certificate (OC) and registration, as per the agreed timeline.

24. It has been clearly admitted by the builder (in Point 7) that the project was delayed due to certain reasons, and that funds were diverted for other projects and the complaints we have raised are in accordance with the Sale Agreement (Clause 2). We are fully entitled to seek justice for the project delay, the reduction in UDS, and the compensation towards rent. Furthermore, we claim compensation for the mental harassment suffered due to the builder's failure to hand over the flat and complete the registration within the stipulated period. We also state that the builder attempted to blackmail us into signing an indemnity bond in order to proceed with the registration of the property

25. The Complainant submits that as per the builder's statement in Clause 7, they admitted the project delay and attributed it to reasons such as weather conditions, sand strike, transport strike, and even delays in receiving government funds However, we cannot be held responsible for such events. We have paid the full amount for our unit from our hard-earned savings, and

it is the builder's duty to deliver as per the agreement and the advocate counsel for the respondent admitted that the project, delay occurred because of government bills and funds being stuck. This is irrelevant to our project, as we did not invest in such government-related ventures. Instead, our investment for the Smondos project was misused and diverted towards funding other government projects without our knowledge or consent. Therefore, the builder is liable to pay rent as per the prevailing market value for the delay caused by such mismanagement.

26. These allegations are not made out of personal grudges or malice but are part of a genuine and larger issue faced by many other buyers. Several buyers have already approached the High Court and Consumer Courts and have obtained relief, including compensation and handover of their flats. Relevant supporting documents have been attached and As per Clause 22 of the Sale Agreement, registration of the property is to be completed within 21 days of obtaining the Occupancy Certificate (OC). However, to date, the OC for this project has not been received. (Refer to Clause 22 in the agreement.)

27. The Complainant submits that they have personally visited the builder's office multiple times and spoken with their representatives (Mr. Ramesh, Mr. Aditya, and Mr. Satish), requesting registration and handover of the flat along with the OC. However, we have not been provided with any clear information regarding the UDS, OC, or registration. Instead, we were pressured to sign an indemnity bond and asked to pay exorbitant interest charges, which we denied and is completely unjustified.

28. The act of raising additional floors does not grant the builder the right to alter or reduce the Undivided Share of Land (UDS) allotted to the buyer. It is strongly urged that the UDS must remain as per the original agreement executed between the buyer and the builder. Any deviation from this agreement constitutes an unethical practice and a breach of contractual obligations. Altering the UDS figures amounts to injustice to the buyer and makes the builder liable to compensate for the decreased UDS.

29. As per Clause 2 of the Sale Agreement, the builder agreed to sell Apartment No. 81109 in Block B. Wing B, measuring 1,400 sq. ft. of super built-up area, more particularly described in Schedule B, together with the proportionate Undivided Share of Land (UDS) calculated at 0.243%, equivalent to 431.5 sq. ft. (40.05 sq. mtrs.), more particularly described in Schedule C. The total sale consideration was fixed at 72,42,000/- (Rupees Seventy-Two Lakhs Forty-Two Thousand only), free from all encumbrances, attachments, lis pendens, acquisitions, alignments, trusts, or tenancy of any nature. The properties described in Schedule B and Schedule C shall collectively be referred to as the "Scheduled Property."

30. Any unilateral changes to the Agreement will drastically affect the value of the property and cause us substantial financial loss. We have purchased Unit 81109, measuring 1,400 sq. ft., together with the UDS of 40.05 sq. mtrs., along with the car parking and other amenities as expressly promised by the builder, Any alteration to these agreed terms would not only diminish the property's value but also constitute a breach of contract, for which the builder shall be held liable.

31. The builder has also misled the Hon'ble Court by providing false information regarding the email communications. In reality, these communications were a façade and do not reflect the true facts of the matter.

32. Therefore, I humbly request the Hon'ble Justice to kindly grant us the reliefs and justice sought against the builder, namely:

33. Regarding Mail in Page No. 126 and revised agreement please provide the document if available.

34. The Complainant submits that the builder is trying to illegally sale the units in property by reducing the UDS for old clients and cheat all of us and the Buyer is not responsible for floor rise, the builder need to plan accordingly before the agreement on UDS at the time of sale.

35. We purchased this property when my kids were in 4th and U.K.G studying in Nasr Boys and Prerana Waldorf, which is very close to this property, by selling the farm land in our village given by our ancestors. Despite all our efforts, we have not enjoyed our flat and amenities all these years.

36. We have faced a lot of financial straggle by paying huge rents outside and EMI's for this property and additionally faced the mental pressure from Builder regarding handover, registration, OC and UDS and indemnity bond.

37. The bank also forced us to provide a registered document for the property. Further, they did not even release the remaining funds to the builder.

Relief:

- i. Registration of the property in our name along with the promised UDS, and payment of rent compensation. In case of any decrease in UDS, compensation must be paid according to the prevailing market value per sq. mtz
- ii. Handover of possession of the flat along with all promised amenities, with immediate effect.
- iii. Compensation for mental agony and hardship caused by the builder (PBSR).
- iv. In case of failure to complete the registration, the builder must pay monthly rent

equivalent to the current prevailing market rental value.

38. All the above claims are fair and reasonable, particularly considering that if the same amount had been invested in another property, we would not only have enjoyed living in our own house but also benefited from the natural appreciation of its value. Instead, we have been forced to incur heavy financial burdens by paying rent for alternative accommodation, despite having already purchased a flat from our hard-earned savings.

#### **E. Additional Rejoinder**

39. The present complaint herein filed by the Complainants arises out of gross delay, continuing breach, and failure to hand over lawful possession of the subject flat despite the complainants having substantially performed their contractual obligations, including payment of nearly the entire sale consideration through scheduled instalments and lump-sum payments, as reflected in the Statement of Accounts.

40. The main issue raised by the Respondent is that the Complainant failed to pay the complete sale consideration, and with regard to the UDS, it is mentioned in the agreement executed by the parties.

41. The Respondent-Builder in his counter has admitted the Agreement of Sale, receipt of substantial consideration, and admitted his inability to hand over possession within the stipulated time due various reasons such as heavy rains and monsoon in the city resulted in flood waters, Sand Strike, Disruption of supply of Cement, Transporters Strike etc. and most importantly Respondent No. 1 himself admitted that his holding Company i.e., Patel Engineering Limited which is an infrastructure company which undertakes various works for the government, both, central and state and has large receivables stuck with the government.

42. Due to various delays, including delay in receivables from the government, the company faced liquidity concerns and underwent debt restructuring with its lenders, pending closure of the same. Management had to concentrate and focus on the same to make it right and successful, has unknowingly failed to concentrate on the project and hence the project was at a standstill.

43. Further, due to the Covid- 19 pandemic and the subsequent lockdowns imposed by the Central and State Governments (i.e. a Force Majeure event), the completion date of the project was extended. Further, the Respondent No. I also stated therein that even after the aforesaid lockdowns were lifted, there was an unprecedented acute shortage of workmen and labourers throughout the country since a majority of them had moved back to their hometown due to the pandemic and accordingly, due to such a situation, there was a delay in the completion of the project.

44. The Respondent himself admitted that he has failed to complete the project for the above said reasons and in para no. 11 of the Respondent counter himself admitted that the OC has not been received yet due to various reasons such as there is a dispute between the Rolling Hills House Owners Association (RHHOA) and they have raised the objection before the GHMC and also filed the case before Hon'ble Court, subsequently GHMC stopped/Not issued the OC to the project.

45. So, it is respectfully submitted that the own submission of the Respondents himself clearly held that the project was delayed, OC is not obtained. It is clear that when the project is not finished or the promoter failed to develop the project, it is right of the allottee to stop payments, as it serves no purpose when the project is not moving further and Complainant is paying the money.

46. When the Respondent himself admitted there was delay in the completion of the project and clearly mentioned "has unknowingly failed to concentrate on the project" now they cant blame the Complainants

47. It is respectfully submitted that the Complainants have already paid approximately 90% of the total sale consideration for the subject flat. Out of the said amount, nearly 80% of the consideration, amounting to about ₹55,00,000/-, was paid within a period of nine months from the date of execution of the Agreement of Sale, which clearly establishes the bonafides, readiness, and willingness of the Complainants. The said payments are duly reflected in the Statement of Accounts (Receipt Details - Amount Received as of the Statement Date) issued by the Respondent himself. In view of the substantial payments made well within time, it is wholly untenable for the Respondent to contend that there was any delay or default on the part of the Complainants.

48. It is respectfully submitted that, out of the total sale consideration, the Complainants have already paid approximately Rs. 60,00,000/-, and the balance amount outstanding is about Rs. 12,00,000/-. Out of the said balance, a sum of Rs. 4,99,850/- is contractually payable only at the time of handing over possession. Since lawful possession has not been offered by the Respondent, the Complainants cannot be called upon to pay the said amount and Respondent has added an interest of Rs. 15,222,69/- more than principal amount, which is completely unlawful and to just to harass the Complainants.

49. With regard to the remaining balance of approximately Rs. 6,00,000/-, it is submitted that the Respondent has failed to complete the project within the stipulated time and has also failed to obtain the Occupation Certificate. When the Complainants have already paid nearly

90% of the total consideration, the withholding of the remaining 10% cannot be construed as any default on their part.

50. Further, the housing loan disbursing bank declined to release the remaining loan amount on account of the abnormal delay in the project and the Respondent's failure to furnish the requisite documents for disbursement. The Respondent, having committed default in project completion and documentation, cannot shift the burden of its own lapse onto the Complainants. In the absence of completion, Occupation Certificate, and offer of lawful possession, the balance amount was rightly kept on hold.

51. It is respectfully submitted that the Respondent's own documents are mutually contradictory and unreliable. While the Pg. 10 of the Agreement of Sale stipulates a total consideration of Rs. 72,42,000/- with an "On Possession" payment of Rs. 4,99,850/-, the Statement of Accounts issued by the Respondent reflects a revised total consideration of Rs. 81,35,889/- and an "On Possession" demand of Rs. 9,64,830/-, on statement of accounts without any reasons is very serious violation of the RERA Act and clause 2 of the agreement of sale also clearly mentions that the total sale consideration is Rs. 72,42,000/- only. So any amount raised by him is an afterthought to harass the Complainants and the Respondents is bound to the agreed price that is Rs. 72,42,000/-, and the Respondent in their counter or in the evidence affidavit had not given any clarification with regard to this difference of amounts, just to mislead the authority they have given contradictory statements

52. When the Respondent itself has issued inconsistent and contradictory payment schedules, the Complainants cannot be branded as defaulters for withholding any amount. In fact, the Complainants have already paid nearly 90% of the consideration, and the balance amounts are either possession-linked or withheld solely due to the Respondent's failure to complete the project and obtain the Occupation Certificate.

53. The Respondent, having failed to complete the project, failed to obtain Occupation Certificate, and failed to offer lawful possession, cannot compel the Complainants to pay possession-linked amounts. The law does not permit a promoter to take advantage of his own wrong and penalise an allottee for consequences flowing from the promoter's breach.

54. It is respectfully submitted that the Respondent is pressuring the Complainants to sign on an indemnity bond, which contains a clause that is completely in violation of the RERA Objective

55. It is respectfully submitted that, as per the Agreement of Sale executed on 09.01.2017, the Respondent was contractually bound to hand over possession on or before 30.06.2018. The said possession date falls much prior to the outbreak of the COVID-19 pandemic. Therefore,

any justification or explanation sought to be advanced by the Respondent by attributing delay to COVID-19 is wholly misconceived, factually incorrect, and legally untenable. The Respondent's default had already crystallised well before the pandemic, and subsequent events cannot be pressed into service to justify an earlier contractual breach

56. It is respectfully submitted that Clause 23 of the Agreement of Sale categorically provides that, in the event of delay in handing over possession, the Respondent/Developer is liable to pay delay compensation at the rate of Rs. 5/- per square foot of the super built-up area per month. Despite the admitted delay in delivery of possession, the Respondent has failed to honour this contractual obligation and has not paid any delay compensation whatsoever, thereby committing a clear breach of the terms of the Agreement.

57. It is respectfully submitted that, from every material aspect, the Respondent has failed to discharge its contractual and statutory obligations, including but not limited to completion of the project within the stipulated time, payment of delay compensation, obtaining the Occupation Certificate, and offering lawful possession to the Complainants. The Respondent's defaults are continuous in nature and clearly establish a deficiency in service and breach of the Agreement of Sale and violation of objective of the RERA Act 2016.

58. It is respectfully submitted that the Respondent has grossly misinterpreted Clauses 5 and 12 of the Agreement of Sale. While the said clauses merely enable utilisation of development rights and phase-wise construction, they do not, either expressly or by necessary implication, authorise alteration or dilution of the Undivided Share of Land already agreed to be conveyed to the Complainants under Clause 2 read with Schedule 'C' of the Agreement, even mere mentioning subject to terms, does not authorise alteration, dilution, or variation of the quantified Undivided Share of Land.

59. The Agreement of Sale pg.no. 26, specifically stipulates that the Complainants are entitled to an Undivided Share of Land admeasuring 0.243% equivalent to 431.15 sq. ft., as detailed in Schedule 'C'. There is no clause in the Agreement stating that the said UDS is provisional or subject to variation. In the absence of any such express provision, the Respondent cannot unilaterally contend that the UDS "would vary".

60. Any right of the Respondent to utilise additional FAR, FSI, or TDR relates only to development activity and cannot override or dilute the vested ownership rights of the Complainants in respect of the Undivided Share of Land. Development rights and ownership rights operate in distinct legal spheres and cannot be conflated.

61. Significantly, even in the counter affidavit, the Respondent refers to Clause 2 of the Agreement, which expressly quantifies the Undivided Share of Land at 0.243% equivalent to

431.15 Having acknowledged the existence and quantification of UDS, the Respondent cannot now approbate and reprobate by contending that the same is variable.

62. Even assuming, without admitting, that the Respondent's contention regarding variation of the Undivided Share of Land is accepted, it is respectfully submitted that the Respondent cannot retain both the consideration paid by the Complainants and the corresponding Undivided Share of Land. The Complainants have paid consideration for a flat together with proportionate UDS, which forms an inseparable and valuable component of the property.

63. The market value, bank valuation, and lending eligibility of the apartment are directly and substantially dependent upon the Undivided Share of Land. Any reduction, dilution, or withholding of UDS would therefore result in direct financial loss to the Complainants. In such circumstances, the Respondent is legally bound either to convey the agreed UDS or to compensate the Complainants proportionately for the value of the UDS retained.

64. The Respondent cannot, in law or equity, be permitted to appropriate both the land and the money, as such conduct would amount to unjust enrichment and manifest unfair practice. If the Respondent seeks to retain or alter the UDS, the only lawful course open is to refund or compensate the Complainants in accordance with the prevailing market and bank valuation, failing which the Respondent's action is ex facie illegal.

65. It is respectfully submitted that in Consumer Complaint No. 99 of 2019 dated 20.04.2023, decided by the Hon'ble Telangana State Consumer Disputes Redressal Commission, Hyderabad, the Hon'ble Commission, while examining a similar case, held that

*“13. At Clause 4 of Agreement of Sale, the opposite party no. 1 Developer had retained his right to make such modifications or variation in the plan and design and under the guise of the said Clause the Developer had proceeded with construction of 5 extra floors in the two blocks. It is pertinent to note that the Ex.A4 is drafted by opposite party no. I wherein the purchasers had no say but had signed on the documented agreement. This act of opposite party by incorporating one sided Clause, which puts the purchaser to incur monetary loss, amounts to unfair trade practice adopted by opposite party and the opposite party had not even intimated the complainant prior to such construction of extra floors. That apart the undivided share in the schedule of property of Ex.A4 A/O/S is kept vacant which implies that the opposite parties have not yet decided on the entitlement of undivided shares. As the opposite party had been unfair in not disclosing the undivided share at the time of entering into the Agreement, the complainant shall be entitled for proportionate undivided share based on 16*

*floors construction. Since the complainant had sought price of that difference of undivided share of land be appropriated to their balance sale consideration, we are of the view that the same be adjusted to the balance sale consideration payable by the complainant and at para no.12 we have concluded that the balance sale consideration payable by complainant is Rs.4,38,546/-.*

*"14.... In the result, complaint is allowed in part directing the opposite party nos. 1 to 4 jointly and severally as follows:*

- i. To register and handover the possession of the flat bearing no.B0605 in 6th floor of B Wing Block in Smondo Gachibowli, situated at Gachibowli village, Serilingampally Mandal, R.R.Dist.*
- ii. To pay the delay charges @ Rs.5/- per sft. per month on the total built up area from 1.7.2017 till realisation;*
- iii. To pay the difference of amount for the undivided share of land that the complainant would be entitled based on 16 floors as per the market value of the property as on today;*
- iv. To pay compensation of Rs.2 lakhs for the mental agony, inconvenience and hardship caused to the complainants; and*
- v. To pay costs of Rs.25,000/-.*

*As the complainants are due to pay a sum of Rs.4,38,546/- towards sale consideration, the opposite parties are at liberty to appropriate the same from the above payments that they are liable to pay"*

66. It is most respectfully submitted that the reasoning squarely applies to the present case, as the Respondent/Developer one side clauses only in his favour.

67. It is respectfully submitted that 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:

*"23... 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."*

68. In the present case, the delay on the part of the Respondent is admitted and undisputed. The Complainants have chosen not to withdraw from the project and seek delivery of possession. Accordingly, the Complainants are entitled to monthly interest for the period of delay in terms of Section 18 of the RERA Act read with the applicable Rules and Regulations, from the agreed date of possession till actual handing over of lawful possession. The Complainants therefore respectfully pray that this Hon'ble Authority be pleased to grant such interest along with the other reliefs prayed for.

69. It is further respectfully submitted that the Respondent is coercing the Complainants to execute an indemnity bond/agreement containing wholly one-sided clauses drafted exclusively in favour of the Respondent/Developer. Upon the Complainants, expressing their inability to agree to such unfair and unconscionable terms, the Respondent has resorted to harassment by withholding possession and refusing to provide the necessary documents required for further processing, including registration.

70. The Complainants are consequently compelled to continue residing in a rented premises, incurring a monthly rent of Rs. 42,000/-, while simultaneously servicing a housing loan with a monthly EMI of Rs. 41,000/-, resulting in severe and continuing financial hardship. The Complainants have invested their lifetime savings and have been waiting for possession of their dream home for more than eight years, for which they have worked tirelessly with the legitimate expectation of timely delivery.

71. In these circumstances, the Complainants humbly pray that this Hon'ble Authority be pleased to grant the reliefs as prayed for, including handover of lawful possession, execution and registration of the sale deed, award of compensation as agreed by the respondent/mentioned in the agreement of sale and also direct the Respondent to pay interest for delay in possession of the flat as per section 18 of the RERA Act or as prescribed in RERA act, rules and regulations and direct the Respondents to pay/ for payment of any reduction or dilution in the Undivided Share of Land in accordance with prevailing market value, along with such other and further reliefs as this Hon'ble Authority may deem fit and proper in the interest of justice and equity.

#### **F. Points for Consideration**

72. After considering the facts stated and submissions made by both parties, the following question arises before this Authority:

- i. Whether the respondent violated provisions of RE(R&D) Act?

ii. *Whether the complainants are entitled to relief sought? If so, to what extent?*

## **G. Observations of Authority**

### **Point I**

73. At the outset, it is necessary to set out the admitted and undisputed fact of the present case. The Complainants entered into an Agreement for Sale dated 09.01.2017 with the Respondent, M/s PBSR Developers Pvt. Ltd., for the purchase of Flat No. B-1109 in the "Smondo Gachibowli" project, admeasuring 1,400 Sq. ft. of super built-up area together with an Undivided Share of Land (UDS) of 40.05 Sq. Mtrs., for a total sale consideration of Rs. 72,42,000/-. The Agreement for Sale stipulated delivery of possession by 31.12.2017, with a contractual grace period of six months, placing the outer limit for delivery of possession at 30.06.2018. The Respondent has, as of the date of hearing, failed to deliver possession, obtain the Occupation Certificate from the competent authority, or execute the registered Sale Deed in favour of the Complainants.

74. Such failure on the part of the Respondent constitutes a clear violation of Section 11(4)(a) of the RE(R&D) Act, which casts a statutory obligation upon the promoter to obtain the completion certificate or the occupancy certificate, as the case may be, and to make it available to the allottees. The Respondent has failed to discharge statutory obligation.

75. Further, the obligation to obtain the Occupation Certificate is cast squarely upon the promoter under Section 17 of the RE(R&D) Act and cannot be discharged by attributing delay to third-party litigation. The Complainants, having paid the near-entire sale consideration, cannot be made to bear the consequences of the Respondent's failure to resolve the pending dispute with the Rolling Hills House Owners Association. The Respondent is accordingly obligated to take all necessary steps to secure the OC.

76. Furthermore, the Respondent's own admission in its Counter that the funds collected from the allottees of the project were diverted to address the liquidity crisis of its holding company, Patel Engineering Limited, causing the project to be brought to a "standstill," constitutes a direct violation of Section 4(2)(l)(D) of the RE(R&D) Act. The said provision mandates that seventy percent (70%) of the amounts realised from the allottees shall be deposited in a separate dedicated bank account and shall be utilised exclusively towards the cost of construction and land cost of the subject project. Diversion of such funds to meet the liabilities of a holding company is a breach of this statutory mandate. The Respondent has thus violated the provisions of the RE(R&D) Act.

77. Point 1 is answered is affirmative

## Point II

78. The Respondent has sought to attribute the delay to force majeure events including heavy rainfall, sand strikes, transporter strikes, financial difficulties of the holding company Patel Engineering Limited, and the Covid-19 pandemic. It is observed that no material has been placed before this Authority for supporting and therefore cannot be considered.

79. Further, on the question of balance consideration, the Respondent has claimed a sum of Rs. 21,68,938/- as due and payable by the Complainants. However, the Complainants have placed on record that Clause 2 of the Agreement for Sale clearly stipulates the total sale consideration as Rs. 72,42,000/- with an "On Possession" instalment of Rs. 4,99,850/-, whereas the Statement of Accounts issued by the Respondent reflects a revised total consideration of Rs. 81,35,889/- and an "On Possession" demand of Rs. 9,64,830/-, without any explanation or justification for such revision.

80. This Authority observes that the Agreement for Sale dated 09.01.2017, which is the binding contractual document between the parties, categorically fixes the total sale consideration at Rs. 72,42,000/- with the "On Possession" instalment stipulated at Rs. 4,99,850/-. The Statement of Accounts issued by the Respondent, however, reflects a revised total consideration of Rs. 81,35,889/- and an "On Possession" demand of Rs. 9,64,830/-, representing a unilateral upward revision of the agreed price. The Respondent has offered no explanation, contractual basis, or documentary justification for this revision either in its Counter or in its evidence affidavit. Under Section 13 of the RE(R&D) Act, the promoter is prohibited from accepting any sum in excess of ten percent of the cost of the apartment prior to the execution of the Agreement for Sale, and the terms of the registered Agreement for Sale form the legally enforceable basis of the transaction. A promoter cannot, by issuing a statement of accounts, unilaterally alter the agreed consideration in departure from the executed Agreement for Sale. This Authority therefore holds that the Respondent is bound by the agreed total sale consideration of Rs. 72,42,000/- as recorded in the Agreement for Sale dated 09.01.2017, and no amount over and above the same shall be recoverable from the Complainants.

81. The Complainants have paid approximately 90% of the total sale consideration, with nearly 80% amounting to approximately Rs. 55,00,000/- having been paid within nine months of the Agreement for Sale, clearly establishing their bonafides and readiness. The balance consideration shall be computed strictly as per the payment schedule in the Agreement for Sale. The instalment of Rs. 4,99,850/- being contractually linked to possession is payable only simultaneously with the handing over of physical possession and execution of the registered

Sale Deed. The Respondent shall not insist upon execution of any indemnity bond as a precondition for possession or registration.

82. Insofar as the grievance relating to reduction in UDS is concerned, this Authority notes that Clause Nos. 5 and 12 of the Agreement for Sale reserved the Respondent's right to utilise the full development potential and construct additional floors as may be sanctioned. The revision to G+20 floors was approved in 2017 and communicated to the Complainants vide email dated 11.11.2017, and the approved layout plan on the official TG RERA portal itself reflects the sanctioned plan as G+20 floors.

83. However, this Authority is unable to accept that such revision entitles the Respondent to unilaterally reduce the UDS. The Agreement for Sale dated 09.01.2017 expressly and specifically quantifies the Undivided Share of Land at 0.243%, equivalent to 431.15 Sq. ft. (40.05 Sq. Mtrs.), as set out in Schedule 'C' thereof. This quantified entitlement forms part of the agreed consideration and constitutes an enforceable contractual right of the Complainants. Clauses 5 and 12 of the Agreement, which enable utilisation of development rights and construction of additional floors, operate in the realm of development activity and do not, either expressly or by necessary implication, authorise alteration, dilution, or variation of the specific UDS already agreed to be conveyed under Clause 2 read with Schedule 'C'. Development rights and ownership rights in an undivided share of land are legally distinct concepts and cannot be conflated. The Respondent, having collected consideration that included the value attributable to the agreed UDS, cannot unilaterally retain a portion of the land component while simultaneously retaining the consideration paid therefor. Such conduct would amount to unjust enrichment and is contrary to the Respondent's statutory obligation under Section 11(4)(a) of the RE(R&D) Act to discharge its obligations as specified in the Agreement for Sale. Furthermore, Clause 2 of the Agreement uses the expression "subject to terms, conditions and covenants" in reference to the UDS. A general reference to the terms of the agreement cannot be read as a licence to deprive the purchaser of a quantified ownership right that forms the very subject matter of the conveyance. Even assuming that the Respondent's right to construct additional floors resulted in a revised floor count of G+20, the proportionate UDS referable to 16 floors of construction as originally contracted must be recognised and any difference in value arising from the increase in floors must be made good to the Complainants. Accordingly, the Respondent is held liable to pay the Complainants the difference in the value of the UDS. This conclusion flows directly from the Agreement for Sale, the provisions of the RE(R&D) Act, and the principles against unjust enrichment, and the following direction to that effect is issued on this independent basis.

84. The Complainants, having sought possession and registration rather than withdrawal from the project, are entitled under Section 18(3) of the Act to interest on the amounts paid by them for every month of delay from 30.06.2018 until the date of actual handing over of possession, at the rate of 10.7% (SBI MCLR OF 8.7% plus 2% per annum), being the prescribed rate under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017. This entitlement is well-settled by the Hon'ble Supreme Court in *Newtech Promoters and Developers Pvt. Ltd. v. State of U.P.*, (2021) 18 SCC 191, wherein it was held that interest for delay in delivery of possession is a statutory right of the allottee that cannot be negated by contractual stipulations.

85. The record discloses that the agreed date of possession was 30.06.2018. Admittedly, possession of the subject apartment has not been offered to the Complainant till date. It is further evident that the Complainant has paid approximately 90% of the total sale consideration and has substantially performed his obligations. In view of the inordinate delay in completion and handing over possession of the apartment, the Complainant is entitled to interest for delayed possession in terms of Section 18 of the Act and the Rules framed thereunder

86. In calculating such interest, the Respondent shall be entitled to the benefit of the COVID-19 extension/waiver periods granted by this Authority, namely: (i) from 15.03.2020 to 14.09.2020 pursuant to Circular Order No. 14 dated 13.05.2020; (ii) from 15.09.2020 to 15.03.2021 pursuant to Order No. 15 dated 29.09.2020; and (iii) from 15.03.2021 to 14.09.2021 pursuant to Order No. 16 dated 01.06.2021. After excluding the aforesaid periods, the Respondent shall pay interest on the amounts paid by the Complainant from the date immediately following the committed date of possession until the date of actual handing over of possession.

87. The claim for compensation for mental agony and hardship, being compensatory in nature, falls within the exclusive jurisdiction of the Adjudicating Officer under Section 71 of the Act, and the Complainants are at liberty to approach the appropriate forum.

#### **H. Directions of Authority**

88. In light of the discussions and findings made hereinabove, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondent.

- i. The Complainants are directed to pay the balance outstanding sale consideration as per the payment schedule in the Agreement for Sale dated 09.01.2017.
- ii. Upon receipt of the balance consideration, the Respondent, M/s PBSR Developers Pvt. Ltd., is directed to:

- a) Hand over physical possession of Flat No. B-1109, B Wing, "Smondo Gachibowli," along with all agreed amenities, along with a certified copy of the Occupation Certificate obtained from GHMC / the competent authority. The Respondent shall take all necessary legal and administrative steps to resolve the pending dispute with the Rolling Hills House Owners Association.
- b) Execute and register the Sale Deed in favour of the Complainants in respect of Flat No. B-1109, within Sixty (60) days from the date of handing over of possession or the date of issuance of the Occupation Certificate, whichever is later
- c) The Respondent shall pay to the Complainants for the difference between the UDS promised under the Agreement of Sale and the UDS actually being provided to them
- d) The Respondent is directed to pay to the Complainants interest on the amounts paid by the Complainants at the rate of 10.70% per annum (SBI MCLR of 8.70% plus 2%) as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from 30.06.2018 until the date of actual handing over of possession. However, while computing the said interest, the Respondent shall be entitled to the benefit of the COVID-19 waiver/extension periods granted by this Authority, namely: (i) from 15.03.2020 to 14.09.2020 pursuant to Circular Order No. 14 dated 13.05.2020; (ii) from 15.09.2020 to 15.03.2021 pursuant to Order No. 15 dated 29.09.2020; and (iii) from 15.03.2021 to 14.09.2021 pursuant to Order No. 16 dated 01.06.2021, which periods shall stand excluded for the purpose of calculation of interest.

89. Failure to comply with above directions within the prescribed timelines shall attract further penal action against the Respondent under Section 63 of the Real Estate (Regulation and Development) Act, 2016.

90. The claim for compensation for mental agony and hardship, being compensatory in nature, falls within the exclusive jurisdiction of the Adjudicating Officer under Section 71 of the Act, and the Complainants are at liberty to approach the appropriate forum.

91. In view of the above, the present complaint is disposed of. No order as to costs.

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

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