HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No.:	**1721 of 2025**
Date of Filing:	**21.11.2025**
First Date of Hearing:	**30.01.2026**
Date of Decision:	**21.08.2026**

Fulpati W/o Sh. Madan Lal
R/o House No. 6660, Bass Sitaab Rai,
Ward No. 15, Rewari,
Haryana-123401.

.....COMPLAINANT

VERSUS

B.M. Gupta Developers Private Limited
5th Floor, BMG City Centre, Elegant City,
Sector 26, Garhi Bolni Road, Rewari,
Haryana-123401.

......RESPONDENT

Coram:	**Sh. Chander Shekhar**	**Member**
Hearing:	**4th**	
Present:	Mr. Hardeep Saini, Advocate, for the Complainant through VC.	
	Mr. Vikas Mehra, Advocate, for the Respondent through VC.	

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ORDER:

Present complaint was filed on 21.11.2025 by the complainant under Section 31 of The Real Estate (Regulation and Development) Act, 2016 (for short Act of 2016) read with Rule 28 of The Haryana Real Estate

(Regulation & Development) Rules, 2017 for violation or contravention of the provisions of the Act of 2016 or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

A. UNIT AND PROJECT RELATED DETAILS:

2. The particulars of the project, details of sale consideration, amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following table:

Sr. No.	Particulars	Details
1.	Name of the project	BMG Nirvaan
2.	Nature of the project	Affordable Residential Plotted Colony
3.	RERA Registered/not Registered	Registered vide Registration No. 246 of 2021 dated 30.06.2021
4.	Details of Unit	Unit No.A-19, having area 162.59 sq. yds.
5.	Date of Allotment	-
6.	Date of Apartment Buyer Agreement	04.08.2022
7.	Possession Clause in BBA (Clause 7.2 and Schedule A)	*"The promoter shall endeavor to offer possession of the plot for residential usage in writing on or before the date specified in Schedule A (Date of offer of possession) by issuing a written offer of*

		possession/final demand notice/ offer letter. The offer of possession shall be subject to the Force Majeure events and reasons beyond control of the promoter".
8.	Due Date of possession	31.12.2022
9.	Total Sale Consideration	₹20,32,375/-
10.	Amount Paid by the Complainant	₹20,32,375/-
11.	Whether Completion Certificate received or not.	Completion Certificate received on 21.08.2023.
12.	Handing over possession/Possession certificate	Possession offered on 01.07.2025

B. FACTS OF THE PRESENT CASE AS STATED BY THE COMPLAINANT IN THE COMPLAINT:

3. That, in the year 2021, the complainant booked a plot No. A-19 having an area of 162.59 Sq. Yds located in "BMG NIRVAAN" Project, Rewari after making a payment of booking amount of ₹2,03,237/-. On 04.08.2022, Sh. Manoj Kumar, authorised signatory acting on behalf of the respondent, entered into an Agreement for Sale with Fulpati W/o Sh. Madan Lal in respect of Plot No. A-19. A copy of the Agreement for sale entered into between complainant and respondent is annexed as Annexure C-2.

4. The complainant had paid all the payments as per the payment plan specified under schedule "C" in Agreement to sell. Furthermore, there was no

delay of any payment on behalf of the complainant. However, the company assured to hand over the possession of the Plot till 31st December 2022 but the possession was not handed over to the allottee within the stipulated time. Copies of the receipts of the payment are annexed as Annexure C-3.

5. Clause 7 of the Plot Buyer's Agreement deals with possession of the said Plot. As per clause 7.2 and Schedule A, respondent had agreed to deliver possession of the said plot till 31st December 2022 subject to Force Majeure events.

6. The respondent had failed to deliver the possession of plot to the complainant as per the scheduled time for handing over the possession of plot. As per clause 7.1 of the Agreement, if the respondent fails to complete or is unable to give possession of the plot within the stipulated time or date specified in Schedule "A", the respondent shall compensate the allottee/ complainant, till the possession.

7. The complainant made various requests to the respondent for handing over the possession. The complainant visited the office of respondent many times to enquire about the exact time within which the possession of the said plot would be handed over, but the respondent kept on assuring the complainant that the possession would be handed over very soon. At last, on 01.07.2025, the respondent offered the possession to the complainant and in the same month the respondent executed a conveyance deed in favour of the

complainant. Copy of offer of possession is annexed as Annexure C-5. The entire payment of ₹20,32,275/- of the plot/Unit No. A-19 has already been paid to the respondent, prior to the date of agreement. It is worthwhile to mention here that there was no delay of payment on the part of the complainant and no pending dues in respect of payments and any other charges.

8. The complainant had also sent representation through e-mail and letter dated 20.01.2025 and also made numerous oral requests to the respondent qua the interest for delay in handing over of the possession of the plot in question. Even at the time of conveyance deed, the respondent never responded the same in affirmative. As per the agreement to sell, the actual date for handing over the possession was 31.12.2022 but there was a delay of more than 30 months on the part of respondent. A copy of the conversation through e-mail and letter is annexed as Annexure C-6.

9. The complainant is entitled to delay interest as provided under Section 18 of the Real Estate (Regulation and Development) Act 2016 on the payments received by respondent from the respective date of handing over the possession till the date on which actual possession was delivered.

C. RELIEF SOUGHT:

10. The complainant in her complaint has sought the following reliefs:-

i) To direct the respondent to pay interest to the complainant for delay in handing over of the possession of the plot in question as per Real Estate (Regulation & Development) Act 2016 along with any amount, the complainant is entitled to as per plot buyer's agreement in addition to relief claimed.

(ii) Or any other relief which the Hon'ble Authority may deem fit or necessary, in the interest of justice.

D. REPLY:

11. Upon receipt of notice, the respondent filed a reply on 29.01.2026, wherein the respondent stated that the complaint has no cause of action against answering respondent and the alleged cause of action is nothing but false and frivolous. The respondent has neither indulged in any unfair trade practice nor committed any deficiency in service.

12. Upon completion of the project, the respondent applied for a completion certificate vide letter dated 18-04-2023 and was granted a valid completion certificate vide Memo No. LC-4308 Vol-II-PA(VA)-2023/27239 dated 21-08-2023 by the competent authority i.e., DTCP, Haryana, thereby confirming that the project was completed in all respects. A copy of the Completion Certificate is appended as Annexure-R/3.

13. After issuance of the Completion Certificate, the respondent proceeded with execution and registration of conveyance deeds in favour of eligible allottees. However, in respect of the complainant's plot, the respondent was informed by the Tehsildar/Sub-Registrar, Rewari that an investigation under the Prevention of Money Laundering Act, 2002 was ongoing against M/s Adarsh Credit Co-operative Society Ltd. & Others and that the specific area in which the complainant's plot is situated falls within the properties under scrutiny. Consequently, registration of the conveyance deed for the complainant's plot was expressly barred in terms of the directions issued by the competent authorities and therefore the respondent was legally restrained from completing the registration despite being otherwise ready and willing.

14. During the course of the said investigation, the Directorate of Enforcement issued directions to the Sub-Registrar concerned to obtain a No Objection Certificate from the Directorate of Enforcement prior to execution/registration of sale deeds. The alleged delay in execution and registration of conveyance deed is neither intentional nor attributable to any act or omission on the part of the respondent.

15. The temporary restraint on registration was imposed solely due to directions of the Enforcement Directorate in relation to another entity and not due to any violation or non-compliance by the respondent in respect of the present project. A copy of the ED directions is annexed as Annexure-R/4.

16. The respondent is neither an accused nor has been held guilty in the said proceedings and no adverse finding has been recorded against the respondent or the licensed project in question.

17. Due to the aforesaid ED directions, the Sub-Registrar, Rewari was not registering conveyance deeds, despite the project being complete, thereby resulting in unavoidable delay beyond the control of the developer.

18. The respondent had repeatedly informed the complainant about the cause of delay in execution and registration of the conveyance deed on several occasions when the complainant personally visited the project office. The respondent had explained in clear terms that the delay was solely due to directions issued by the Enforcement Directorate and the consequential restraint imposed by the Registration Authorities and not due to any fault or lapse on the part of the respondent.

19. The respondent has been continuously and diligently pursuing the matter with the concerned authorities, including the Registration Department and other competent forums for removal of the restraint and resumption of registration of conveyance deeds.

20. That immediately upon withdrawal of the restraint being granted by the competent authorities, the respondent undertakes to execute and register the conveyance deeds in favour of the eligible allottees, including the complainant, without any further delay. Copy of directions issued by ED is

enclosed as Annexure-R/5. The temporary delay caused due to enforcement proceedings cannot be construed as deficiency in service or violation of Sections 11 or 17 of the Real Estate (Regulation and Development) Act, 2016.

21. The present complaint is misconceived, premature and not maintainable as the respondent is prevented by statutory restraint from executing registrations and therefore no adverse inference can be drawn against the respondent.

E. REJOINDER FILED BY THE COMPLAINANT:

22. The complainant filed a rejoinder on 09.04.2026, wherein the complainant denied and controverted all the grounds and explanations for the delay put forth by the respondent in its reply. The complainant further prayed that the respondent be directed to pay interest for the delay in handing over possession of the subject property, in accordance with the provisions of the applicable law.

F. WRITTEN ARGUMENTS ON BEHALF OF RESPONDENT:

23. The respondent has filed its written arguments on 12.08.2026 in which the main contention of the respondent is that firstly, the delay alleged by the complainant is neither deliberate nor attributable to any negligence or omission on the part of the respondent. The respondent had completed the requisite development works and had applied for the Completion Certificate on 18.04.2023 which was subsequently issued by the competent authority on dated

21.08.2023 (Annexure R-3). Thus, the respondent had duly completed the project and was ready and willing to perform its obligations.

24. Secondly, the subsequent delay in execution and registration of the conveyance deed was occasioned due to the directions/restraint issued by the Enforcement Directorate (Annexure R-4), whereby the concerned registration authorities were required to obtain the requisite NOC/clearance before registering the concerned properties. The said restraint was wholly beyond the control of the respondent, and the respondent could not have lawfully proceeded with registration in violation of the directions of the competent authority. It is further submitted that the investigation conducted by the Enforcement Directorate was not related to the respondent or the project in question, but pertained to M/s Adarsh Credit Co-operative Society Ltd. and others. The respondent and its project were neither the subject matter of the said investigation nor were they held guilty or subjected to any adverse finding therein.

25. Thirdly, it is submitted that the respondent was never held guilty and no adverse finding was recorded against the respondent or the project in the said proceedings.The respondent continuously pursued the matter with the concerned authorities and immediately upon withdrawal of the restraint by the Enforcement Directorate vide communication dated 23.06.2025 (Annexure R-5) offered possession to the complainant on 01.07.2025. This conduct clearly demonstrates the bona fides and diligence of the respondent.

26. Fourthly, the period during which it was legally prevented from executing/registering the conveyance deed cannot be treated as willful or deliberate delay attributable to the respondent. The principle of ***lex non cogit ad impossibilia*** squarely applies, as the law does not compel a person to perform an act which is legally impossible. The Hon'ble Supreme Court in *Saiyabrata Ghose v. Mugneeram Bangur & Co., AIR 1954 SC 44*, has recognised that impossibility under Section 56 of the Contract Act may include supervening legal impossibility.

27. Fifthly, even assuming that this Hon'ble Authority is of the view that some delay is attributable to the respondent for the period during which the respondent was legally prevented from executing and registering the conveyance deed due to the directions/restraint of the Enforcement Directorate cannot be reckoned deliberate or attributable delay on the part of the respondent. The respondent acted immediately upon removal of the said restraint and offered possession on 01.07.2025. Accordingly, the respondent cannot be saddled with interest for the period during which performance was legally restrained by the competent authority.

G. ARGUMENTS OF LEARNED COUNSEL FOR THE COMPLAINANT AND THE RESPONDENT:

28. Learned counsel for the complainant and respondent reiterated the facts of the case as stated in the complaint, reply and written arguments.

H. ISSUE FOR ADJUDICATION:

29. Whether the complainant is entitled to get delayed interest in handing over the possession in terms of Section 18 of RE(RD) Act, 2016?

I. FINDINGS AND OBSERVATIONS OF THE AUTHORITY:

30. The Authority has carefully considered the submissions made by both the parties. In the light of the background of the matter as recorded in this order and the arguments advanced by the complainant as well respondent, the Authority observes as follows:

i. It is an admitted fact that the complainant booked the plot in question i.e. plot no. A-19, having an area of 162.59 sq. yards, in Project "BMG Nirvaan" " of the respondent company after making a payment of booking amount of ₹2,03,237/-. The complainant had paid all the payments as per payment plan specified under Schedule 'C' of the Agreement to Sell. The company was assured to hand over the possession of the plot till 31.12.2022. But the respondent had failed to deliver the possession in stipulated time. The respondent offered the possession to the complainant on 01.07.2025 after a delay of more than 30 months.

ii. The respondent, in its reply, has contended that the project had been completed along with all requisite development works and that it had applied for the Completion Certificate vide letter dated 18.04.2023, which was subsequently issued by the competent authority on 21.08.2023. In this regard, it is submitted that the stipulated date for handing over possession of the said unit was 31.12.2022. Admittedly, the respondent applied for the Completion Certificate only on 18.04.2023, i.e., more than three months after the agreed date of possession. Thus, as on 31.12.2022, the respondent had not even applied for the Completion Certificate. This fact, by itself, demonstrates that the respondent had failed to complete all necessary statutory formalities within the stipulated period. The subsequent issuance of the Completion Certificate by the competent authority on 21.08.2023 merely establishes the date on which the requisite approval was ultimately obtained. It does not, by itself, establish that the respondent was prevented by circumstances beyond its control from obtaining such approval on or before 31.12.2022. The respondent was under an obligation to complete the construction of the project, obtain all requisite approvals and permissions and thereafter hand over possession to the allottee within the agreed period. Obtaining the Completion Certificate is an integral part of the promoter's obligations and cannot be relied upon as a defence to the promoter's own failure to deliver possession within the stipulated time. Accordingly, the subsequent grant of the

Completion Certificate cannot retrospectively cure the respondent's failure to obtain the requisite approval and offer lawful possession by the agreed date i.e. 31.12.2022. Hence, the aforesaid ground is devoid of merit and is liable to be rejected.

iii. The respondent has relied upon the directions/restrictions issued by the Enforcement Directorate and has contended that the concerned registration authorities were required to obtain an NOC/clearance before proceeding with registration. However, the respondent has itself admitted in its written arguments that the investigation of the Enforcement Directorate was not against the respondent or its project, but allegedly pertained to M/s Adarsh Credit Co-operative Society Ltd. and others. In such circumstances, the mere existence of an investigation concerning a third party cannot, by itself, constitute a sufficient justification for indefinitely withholding or delaying the lawful rights of the complainant. The respondent was required to establish a direct and specific nexus between the alleged restraint imposed by the Enforcement Directorate and the particular property/conveyance deed of the complainant. Merely producing or referring to the said restraint does not establish that the respondent was legally prohibited from executing the conveyance deed in favour of the Complainant.

iv. Further, the contention that the respondent was ready and willing to perform its obligations does not, by itself, amount to performance of those obligations. What was required was actual execution/registration of the conveyance deed within the applicable period. Mere readiness or willingness, particularly when the conveyance deed remained unexecuted/unregistered for a substantial period, cannot defeat the legitimate claim of the complainant. The respondent has specifically pleaded that neither it nor its project was the subject matter of the Enforcement Directorate's investigation and that no adverse finding was recorded against it. If the respondent was neither an accused party nor the subject of any adverse finding, it was incumbent upon the respondent to demonstrate by cogent material that the alleged restraint nevertheless legally prevented registration of the complainant's unit. In the absence of such material, the respondent cannot rely upon a third-party investigation as a blanket defence to its own obligation towards the complainant. Hence, the delay, therefore, cannot be wholly attributed to the said proceedings merely on the basis of a general reference to the investigation. In these circumstances, the explanation offered by the respondent does not constitute a sufficient justification for the delay, and the grievance of the complainant regarding the non-execution/non-registration of the conveyance deed for a specific period deserves to be accepted.

v. The respondent, in its reply, took the plea of Force Majeure and section 56 of Indian Contract Act, 1872. The said contention deserves to be considered in the light of the settled principles governing Force Majeure and frustration of contracts under Indian law. The expression **"Force Majeure"** is a French expression which literally means "superior force". Although it is commonly associated with an "act of God", the scope of the expression is not necessarily confined to natural events. Depending upon the terms of the contract and the circumstances of the case, Force Majeure may also encompass certain events or acts beyond the reasonable control of the parties. The term "Force Majeure" is based on the concept of the Doctrine of Frustration under the Indian Contract Act, 1872; particularly Sections 32 and 56. The law uses the term "impossible" while discussing the frustration of a contract, i.e., a contract which becomes impossible has been frustrated. In this context, "impossibility" refers to an unexpected subsequent event or change of circumstance which fundamentally strikes at the root of the contract. In the case of ***Alopi Parshad and Sons Ltd vs Union of India, AIR 1960 SC 588 and the landmark Energy Watchdog and Ors. Vs. Central Electricity Regulatory***

Commission and Ors (2017) – 2017 3 AWC 2692 SC, the Supreme Court of India has categorically *stated that*

> *"mere commercial onerousness, hardship, material loss, or inconvenience cannot constitute frustration of a contract. Furthermore, if it remains possible to fulfill the contract through alternate means, then a mere intervening difficulty will not constitute frustration. It is only in the absence of such alternate means that the contract may be considered frustrated".*

Section 56 of the Indian Contracts Act (Agreement to do impossible act) states that "a contract to do an act which, after the contract is made, becomes impossible, or, by reason of some event which the promisor could not prevent, unlawful, becomes void when the act becomes impossible or unlawful." It is the performance of contractual obligations that must become unlawful/impossible, not the ability to enjoy benefits under the contract. ***The Supreme Court in Energy Watchdog and Ors. Vs. Central Electricity Regulatory Commission and Ors (2017) – 2017 3 AWC 2692 SC*** further insight into interpreting a Force Majeure situation i.e.

- *Force majeure events must be unforeseeable by both parties;*
- *The requirement to put the other party on notice must be met with if the contract provides for notice requirements; and*

- ***Burden of proof rests with the party relying on the defense of force majeure for its inability to perform the obligation.***

In the present case, no supporting evidence has been placed on record which actually justified the delay they had prevented the respondent from discharging his obligations. Mere pleading of force majeure conditions or section 56 of indian contract act without fulfilling its obligations, cannot be allowed. Hence, the plea of respondent does not hold any strength and is rejected.

31. The Authority concludes that mere acceptance or taking over of possession after a delay of three years does not extinguish the complainant's accrued right to claim delay interest for the period of such delay. The actual handing over of possession brings the period of delay to an end prospectively. It does not retrospectively extinguish the complainant's accrued entitlement to compensation/interest arising from the delayed possession under Section 18 of the Real Estate (Regulation and Development) Act, 2016. Accordingly, the Complainant's right to claim interest for the period during which possession was delayed remains unaffected merely because possession was subsequently handed over. The complainant is entitled for delay interest from the deemed date of possession i.e. 31.12.2022 up to the date on which a valid offer is sent to the complainant after receipt of Completion Certificate i.e. 01.07.2025. As per Section 18 of RERA Act, 2016 interest shall be awarded at such rate as may be prescribed.

32. The definition of term 'interest' is defined under Section 2(za)of the Act which is as under:

> *(za)"interest" means the rates of interest payable by the promoter or the allottee, as the case may be.*
>
> *Explanation.-For the purpose of this clause-*
>
> *(i) The rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;*
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> *(ii) The interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid; Rule 15 of HRERA Rules, 2017 provides for prescribed rate of interest which is as under:*
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> *"Rule 15: "Rule 15.Prescribed rate of interest-(Proviso to Section 12, Section 18 and sub-section (4) and sub-section (7) of Section 19(1), For the purpose of proviso to section 12; section 18, and sub.sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of india highest marginal cost of lending rate +2%:*
>
> *Provided that in case the State Bank of India marginal cost of lending rate (MCLR)is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.. "*

33. Consequently, as per website of the State Bank of India i.e. https://sbi.co.in, the highest marginal cost of lending rate (in short MCLR) as on date of order i.e. 21.08.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR+2% i.e. 10.80%.

34. Hence, the Authority directs the respondent to pay delay interest to the complainant for delay caused in delivery of possession at the rate prescribed in Rule 15 of Haryana Real Estate (Regulation and Development) Rules, 2017 i.e. at the rate of SBI highest marginal cost lending rate (MCLR)+2% which as on date works out to 10.80% (8.80%+2.00%) from the due date of possession i.e. 31.12.2022 till the date of a valid offer of possession i.e. 01.07.2025.

35. The Authority has got calculated the interest on total paid amount from due date of possession i.e. 31.12.2022 till the date of actual handing over the possession i.e. 01.07.2025 which works out ₹5,59,643/- as per detail given in the table below:

Sr. No.	**Principal Amount (in ₹)**	**Deemed date of possession**	**Interest Accrued till 01.07.2025 (in ₹)**
1.	20,32,375/-	31.12.2022	5,49,643/-
Total	**20,32,375/-**		**5,49,643/-**

36. It is pertinent to mention that, in the complaint, the complainant has stated that a total amount of ₹20,32,275/- was paid by him. However, upon perusal of the receipts placed on record, the total amount paid by the complainant aggregates to ₹20,32,375/-. The said amount has also been admitted by the respondent in its reply. Accordingly, for the purpose of

calculating the interest payable on account of delay, an amount of ₹20,32,375/- is taken into consideration.

J. DIRECTIONS OF THE AUTHORITY:

37. Hence, the Authority hereby passes this order and issues following directions under Section 37 of the RERA Act, 2016 to ensure compliance of obligation cast upon the promoter/respondent as per the function entrusted to the Authority under Section 34(f) of the RERA Act, 2016:

(i) Respondent is directed to pay delay interest of ₹5,49,643/- to the complainant towards delay already caused in handing over the possession within 90 days from the date of passing of this order, failing which legal consequences would follow. P

38. **Disposed of.** File be consigned to record room after uploading of the order on the website of the Authority.

(CHANDER SHEKHAR)
MEMBER

21.08.2026
Kanupriya
(Law Associate)