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Endless nightmare haunts flat owners

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Under-construction buildings at Gurgaon. File Photo: Sushil Kumar Verma

The BPTP Park Prime group housing project in Sector 66 Gurgaon is nearing completion, almost six years after its launch. But the flat holders in the high-rise residential complex are a bundle of nerves with the developer now allegedly demanding Rs.15-20 lakh extra per unit citing inflation, increase in super area and a host of new terms and conditions.

Prolong delays in completion of residential projects, denial of penalties to flat owners on various pretexts and hefty cost escalations at the time of possession are turning the dream of thousands of middle-class families to own a home in the Millennium City into a nightmarish experience, giving them endless mental agony and financial problems. Almost all the residential projects launched post-2008 are running far behind schedule in Gurgaon.

“The BPTP project is already two years behind schedule, but instead of compensating us for the delayed delivery, the developer is arm-twisting us into paying Rs.15-20 lakh extra per flat on various pretexts. The cost escalation is almost 20 per cent of the total cost of the flat and is unjustified. We are told to pay within a fortnight failing which interest would be charged at 18 per cent per annum on the outstanding amount. We tried to reason with the developer and are ready to pay the justified amount, but they are adamant,” said Guriqbal, one of the flat holders in the project.

Similarly, hundreds of families owning flats in various projects at Sector 37D Ramprastha City are up in arms against the developer for failing to hand them over the possession in time and even refusing to give any written assurances on possible date of completion.

“We spoke to the chief executive officer, but he refused to give any written assurance. We then wrote to the chairman of the group, but there is no response. We have paid almost 80-90 per cent of the total cost and are now being forced to run from pillar to post for possession. We are now left with no option but to protest and take legal recourse,” said Pradip Rahi, vice-president RP City Welfare Association.

When contacted, Ramprastha Group CEO Nikhil Jain said the delay was caused due to unavoidable circumstances.

In yet another case, DLF procured “Occupation Certificate” (OC) for its New Town Heights project, housing over 3,000 flats in Sectors 86, 90 and 91 in February 2013, but two-thirds of the flat holders are still awaiting possession.

“It is shocking how the developer managed to obtain OC for its under-construction project. After obtaining OC, the developer stopped paying penalty to the flat owners for the delay and hundreds of families are still awaiting possession. Even those who have taken possession were forced to do so because of financial constraints,” said one of the flat owners, not willing to be named.

Blaming the situation on lack of strict guidelines and a regulator to protect the interests of flat owners and slow redress mechanism, NTH Homeowners Association president Nitin Grover stressed the need for equitable “Builder-Buyer Agreement” (BBA).

“There are a set of guidelines to protect the interests of even a mobile phone user, but none for a flat owner. The government must define the essence of the BBA to protect the interests of the flat owners and not leave him to the mercy of the builder. Also, the present redress mechanism is time consuming and expensive. Even if a buyer wins at Consumers’ Forum, the builder is willing to take the fight to the highest court making it difficult for the complainant to bear the costs and thus delaying the justice.

“Also, there is a need to incorporate accountability, which is completely missing now. Even a room heater comes with a minimum warranty and ISI certification, but there is no such warranty and quality certification for a flat which

costs one the savings of his lifetime,” said Mr. Grover.