



What happens if a builder fails to deliver on time?

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What happens if a builder fails to deliver on time? You can file a civil suit for recovering your principal amount or a criminal case

Q: In the year 2006, during the soft launch of plots by a known builder in Delhi, I applied for two plots. I filled the form through the company's agent. They told us that the project title was clear and they would give the allotment in six-eight months time. In case the allotment was not given in 10 months' time, we were told that the company would pay investor rate of interest at the rate of 10 per cent per annum. Now more than 24 months have passed. There is no communication from the builder. Their office is in Connaught Place, New Delhi. I have approached them several times, but each time they say they have got the clearance and will launch the project soon. Claims for the interest, etc are ignored by them. The money I have invested is huge, at least



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for a salaried person like me. What do you suggest?
-Raj Singhal, Delhi
A. It appears that you invested money in the pre-launch stage of a project. Even the government has started sincerely exploring the possibilities of checking and declaring the practice of inviting public investment at pre-launch stage as illegal. In your case, remedies available to you ranges from filing

a civil suit for recovering your principal amount along with interest, to filing a criminal complaint with the police for cheating against the developer as well as against the agent. You can also move the Monopolistic and Restrictive Trade Practices Commission for initiating an enquiry against the defaulting company apart from moving for deficient services in consumer court. You can also make a complaint against the developer with the apex body of the real estate developers. From now onwards, always make it a habit to check the sanctions and various clearances of an upcoming project before investing in the same.

Q I have a bought a top floor flat in a building made by a local builder on a 300 sq yard plot. I was under the impression that the roof above my flat exclusively belonged to me. Recently, I learnt that the builder had

let out the roof to a telecom company for erecting a telecommunication antenna. The same also involves installation of a generator. I am very disturbed about this.

-Veer Sachdeva, Delhi
A. Whether the roof belongs to you or not can be ascertained from the tenor of the documents of title. Please check the sale deed or the conveyance deed executed by the builder in your favour in connection with your flat. Does it talk about roof rights or not? Normally, builders retain all rights to the roof with themselves. It seems you have not properly negotiated the deal. However, in this case you can lodge a complaint with the municipal authorities. You may also initiate civil proceedings for restraining the erection of an antenna/tower on the ground of nuisance and disturbances.



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