

7th June, 2013

Dear Allottee,

We are in receipt of communications from some of the allottees listing out various issues, which we would like to address as under:

DLF had commenced bookings in “**New Town Heights**” in February’ 2008 and despite the delays for reasons beyond the control of the company such as unprecedented construction labour shortage as well as unprecedented economic uncertainty worldwide, DLF with the support and goodwill of esteemed allottees such as yourself, persevered and put its best foot forward to complete these projects.

We had brought these issues to your notice in March 2009, wherein in addition to updating the then status, we had on our volition given a package of incentives to the allottees of New Town Heights to further enhance the ‘value for money’ proposition to all the allottees.

We would like to take the opportunity to highlight the salient benefits offered vide our communication dated March 26, 2009. These are:

- i) We had, on our own, doubled the Compensation to Rs.10/- per sq.ft. per month.
- ii) In addition to the above, we had also amended this Clause to “3 Years from the date of Booking” instead of ‘3 years from the date of Agreement’, which, by itself, made a difference of almost six months (Rs.60 per sq.ft.) on an average .
- iii) We had also rescheduled the Payment Plan from Time-Linked to Construction-Linked Payment Plan for amounts over and above 35% of the Sale Price to enable the allottees to be at ease, which means the following:
 - a) Anybody who made payments over & above 35% was given Advance Payment Rebate @ 13% p.a., for the advance period.
 - b) Delayed Interest demanded on payments over & above 35% was waived off.
 - c) For people, who made payment under Down Payment category, we committed to give additional Down Payment Rebate based on revised Construction Linked Payment Plan.

The above benefits were beyond the agreement entered into with the allottees. We also took the unprecedented step of providing a further benefit upto 20% comprising of :

- a) 5% discount was allowed on the Basic Sale Price of the property

- b) 5% Increase in Area was given “**absolutely free**”.
- c) Timely Payment Rebate of 10% was agreed to be credited to the Customer account in case all payments are paid on due dates, without any delay;

Accordingly, you will kindly appreciate that we did everything possible to ensure that our allottees who had booked properties in “**New Town Heights**” were significantly benefited. Additionally, we have made a lot of efforts to develop the entire area and we do believe that New Town Heights shall provide a wonderful environment for you and your family to enjoy a superior quality of life in your NTH home.

We would now like to address the issues generally raised in various communications received by us :

1) **Payment of delay compensation –**

As far as the compensation vis-à-vis the possession is concerned, we invite your kind attention to Clause 9, 16 and 17 of the Apartment Buyer’s Agreement which when read together, make it amply clear that compensation is payable, if the construction is delayed beyond 36 months from the date of execution of the Apartment Buyer’s Agreement. Kindly note that Clause 17 stipulates that the compensation is payable at the rate of Rs. 5/- per sq. ft. of the super area of the apartment per month for the period of delay, however, we to incentivise the allottees, revised the amount to Rs. 10/- per sq. ft. and took upon ourselves to start the period of 36 months from the date of booking as opposed to the date of the execution of the agreement.

You may also kindly refer to the following excerpt of Clause 9 wherein it is stated that “*the issuance of the occupation certificate shall be the conclusive evidence (issued for the Said Building or for the Said complex as the case may be) that the construction of the Said Building/ Said Complex is fully complete in accordance with the plans and specifications as annexed to this Agreement*”.

Therefore, you will kindly appreciate that the compensation on account of delay is payable only till the date of receipt of Occupation Certificate.

In a project of this magnitude, with over 3000 apartments, the handing over and possession has to be staggered and has to be offered in phases. In our letter dated, February 28, 2013, wherein we had informed you about the receipt of Occupation Certificate, we had also intimated you that in case there is an intention to move in to the apartment sooner, we may be suitably informed, so that we can prioritize the handover , to the best extent possible. We shall continue to approach the handover of apartments to our allottees in a manner that the needs and priorities of most of our allottees are appropriately addressed.

We would like to bring to your attention that we had voluntarily shifted the Compensation to '3 years from the date of Booking' compared to the '3 years from the date of execution of the Agreement', which resulted in additional benefit of about Rs.60 per sq ft

2) **Non-adjustment of delay possession compensation in final payment -**

Even though in the Apartment Buyer's Agreement it is stated that "*the adjustment of Compensation shall be done at the time of conveyancing of the said Apartment to Allottee first named in the Agreement and not earlier*", we, as a special gesture, shall have no objection if you choose to deduct the applicable compensation amount from the total dues payable as indicated in the Final Statement of Account, while making the full and final payments, prior to taking over possession.

3) **Denial of delay compensation to allottees & TPR restoration –**

Clause 17 clarifies that compensation is payable only to allottees who are not in default of any of the terms of the Agreement, i.e., they are supposed to make all the payments in time. Further *vide* our letter dated 26th March 2009, we have clarified that the eligibility for Timely Payment Rebate is dependent on clearing overdues, if any, by April 25, 2009, and making all the subsequent payments in time.

We do accept delayed payment with interest only to prevent a cancellation of the allotment but under no circumstances, does making such delayed payment with interest, condone the delay, or make the customer eligible for Timely Payment Rebate or payment of compensation for delay.

Since we were requested by some of you to take a sympathetic view of minor delays of a day or two, once or twice, across the entire period, we have as a gesture of goodwill decided to offer the benefit to all those who may become eligible for the same as under:

a) Timely Payment Rebate will be allowed to allottees where default has not been for more than two occasions with the condition that each such delay has not been for more than 7 days from the due date.

b) We have also decided to exempt the delay, if any, in remittance of enhanced EDC from delays as mentioned in 3(a) above.

This also means those who are eligible for Timely Payment Rebate are also given the Compensation, if eligible.

Through the above, we do hope, you appreciate that the difficulties that some of you may have had will now be addressed.

4) **Increase in Area –**

Please note that at the time when you booked the property, typical areas were 1760 sq.ft. / 2125 sq.ft. / 2505 sq.ft., which subsequently got increased to 1845 sq.ft. / 2230 sq.ft. / 2630 sq.ft., with the inclusion of 5% **free area** that was allowed to you. If you calculate the increase in area vis-à-vis the original tentative area, the increase in areas have not exceeded the limit of 10% as stipulated in the Apartment Buyers Agreement and the increase is only about 4% to 6%.

We would like to mention here that as far as the “loading” is concerned, it is only 18% to 21% on Super Area to Apartment Area, strictly within the range provided in the agreement .In this regard, we would like to draw your attention to page 31 of the Apartment Buyer’s Agreement. In **Annexure-II**, where the “**Definition of the Super Area**” is provided, it very clearly mentions that the “*tentative percentage of Apartment Area to Super Area of the Apartment is 79% to 82% approximately for apartments and for Independent floors this percentage is 91% approximately*”. We trust that the ambiguity wrt. the apartment area to super area now stands fully clarified.

5) **Other’s Land in Sector 90 –**

Right from inception, the Company has made full disclosure in the Apartment Buyer’s Agreement , and at no time, was this piece of land in Sector 90, shown as a Company owned land or a green area. In our annexure to the Apartment Buyer’s Agreement, it was clearly blacked out and separated from the Group Housing Scheme. We wish to state that as on date, the status of this piece of land is ‘Other’s Land’ and is demarcated on the site by a boundary wall.

6) **Enhanced EDC -**

The EDC is charged on the basis of demand raised by the Government Authorities from time to time and demand is made to the Allottees on prorata basis.

7) **Construction of Facilities –**

As far as the construction of the facilities are concerned, we shall continue to endeavour to complete all facilities at the earliest.

8) **Delay Compensation Calculation -**

The compensation on account of delay has been calculated on the final area of the apartment (i.e., the super area) less the free area of 5%, since that is being provided free of cost as per our letter dated 26th March 2009.

9) **Payment of Registration Amount to DLF –**

Your attention is invited to Clause 1.10 of the Apartment Buyer's Agreement which states that the allottee is supposed to make all payments, including registration charges and stamp duty in order to enable us to register the property. Also, Clause 18 of the Apartment Buyer's Agreement stipulates that we shall execute the conveyance deed after the Allottee has made all the payments along with all other charges.

You will kindly appreciate that the process of registration has to be initiated by us, and we would require all payments to be made and dues cleared prior to getting the registration process started. The Stamp Duty and Registration Charges are passed onto the State Government, and while normally this process takes 3 months after all payments and paper work is completed, we shall endeavour to complete this in 1 month.

10) **Construction of remaining TH / IF & Towers –**

We have already clarified, while sending the letters on 28th February 2013 intimating the allottees regarding the receipt of the Occupation Certificate that, some of the Town Houses and Independent Floors are yet to be completed and the Occupation Certificate for the same has not been applied for. It is understood that, we shall be paying compensation on account of delay to such allottees until the time the Occupation Certificate is received for the said units.

11) **Calculation & Basis of charges for Development / Construction / Other cost –**

These amounts (eg Rs.87.51 per sq.ft. in Sector 90) is towards reimbursement of

- i) Haryana Value Added Tax on Works Contract Tax Executed / Under-Execution;
- ii) Workers Welfare Cess; and
- iii) Service Tax on Contracts Executed / Under-Execution.

The scheme wise reimbursements are as under:

Sector	Rate
86	Rs.79.59 per sq.ft.
90	Rs.87.51 per sq.ft.
91	Rs.85.54 per sq.ft.

We would like to clearly state that the above amounts are only towards reimbursements as per clause no. 2 of Apartment Buyer's Agreement, and these amounts have been duly audited. The Audited Certificates are available in our office in case you would like to see them.

Even though the company has incurred huge costs due to escalation and inflation , it has never attempted to recover the same from you in any manner, let alone, through the above reimbursement.

We do hope that this communication addresses most of your apprehensions and queries. In case there is any additional issue or further clarification required, kindly let us know so that we can resolve it to your satisfaction.

We at DLF deeply appreciate the trust and confidence you have bestowed upon us and we assure you that we shall do our utmost to ensure that this purchase is not only a good investment but it shall also lead to endless years of contented and happy living for you and your family.

We remain at your service.

With regards,

Sincerely yours,

VALSALA

Sr. Executive Director – Marketing