

Not all Wish Town projects to be hit

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New Delhi: Home buyers in Wish Town, who have bought apartments or plots in projects like Kalypso Court, Pavillion Courts and Heights and others which are being developed by Jaiprakash Associates Ltd (JAL) will not be affected by the initiation of corporate insolvency resolution process (CIRP) against its subsidiary Jaypee Infratech.

Jaiprakash Associates Ltd had bought 357 acre of land from Jaypee Infratech for Rs 885 crore in 2008. Jaypee Infratech was given around 1200 acre land on Noida-Greater Noida Expressway as a concessionaire to build Yamuna Expressway to extend Noida-Greater Noida Expressway to Agra.

JAL had launched number of projects on the land in Sector 128 of Noida. However, all the projects are running behind the schedule, the company has started giving the possession in some of the projects. It has already given possession of around 2,500 apartments in these projects.

The major projects launched by JAL are Kalypso Court, Pavillion Courts and Heights, Imperial Arcade, Boomerang residences, Krystal, Kasablanca and others. JAL is also developing a 22-holes gold course around which all the projects are being delivered.

The company has also registered these projects on Real Estate Regulatory Authority (RERA) website of UP along with the timeline to complete the projects. Around 12,000 apartments are to be constructed by JAL. The rest around 23,000 apartments and plots are to be constructed and delivered by its subsidiary Jaypee Infra.

The decision of National Company Law Tribunal (NCLT) to start the insolvency resolution process against its subsidiary Jaypee Infrastructure will not affect the working of JAL. In a statement, interim resolution professional (IRP) Anuj Jain who will work as CEO, said, "I am conscious of the interest of key stakeholders including flat owners." The insolvency proceedings has been started against the company on the plea of IDBI Bank as the company was not able to service bank loans. The company has bank loans of Rs 8000 crore.

Jain further said, "As IRP, it is my duty to endeavour to protect and preserve the value of the property of the company and manage its operations as a going concern including continuation of ongoing construction."

As the existing management of Jaiprakash Gaur and Manoj Gaur could not service the bank loans along with completing the projects and gave consent to go for classifying the company as insolvent, Jain has an uphill task to find an investor or a promoter who will meet all the obligations of the company.