Credai to help complete delayed PROJECTS

Credai, the real estate developers’ body, is helping builders complete their delayed projects and give out possessions at the earliest, which would help restore the credibility of developers among buyers and, hopefully, go a long way in reviving the real estate sector.

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The Confederation of Real Estate Developers’ Associations of India (Credai) is adopting measures to complete the construction of delayed projects expeditiously and offer possession to buyers as soon as possible.

Credai has recently assured the government that it would help Amrapali in expediting the construction of its project.

Credai offered to bring in credible and resourceful developers into delayed projects as investors or co-developers, who would complete the projects, in a meeting with UP government officials. It also said it would work with financiers to raise funds by mortgaging unsold units to expedite the construction of the delayed projects.

To further facilitate this endeavour, Credai requested the UP government to direct Noida, Greater Noida, and Yamuna Expressway development authorities to resolve various disputes with developers pertaining to dues against land cost. In many cases, these authorities have included charges of the land pieces whose possession have either been given late or not given at all by the authorities till date, Getamber Anand, chairman of Credai, said.

Developers are also disputing the authorities’ decision to charge interest on the outstanding amounts of the developers for the period during which the construction was stopped by various court orders in which these authorities were the main parties. They said that if these dues are adjusted, a large number of projects would automatically become regularized in the authorities’ books.

With accounts becoming regular, the authorities can issue completion certificates, which would enable developers to register flats in the customers’ name. In turn, buyers would have to clear their dues, which would increase the cash flow for developers, which could be used to complete other stalled projects, Anand said.

“Credai wants to engage with the government in order to realize the full potential of ‘infrastructure status’ given to affordable housing and improve ease of doing business,” Jaxay Shah, president of Credai, said.

Developers like Jaypee, Amrapali, Unitech, and Wave Infratech were also present in the meeting between Credai and UP government officials. Unitech and Wave have returned large chunks of land to the authorities in lieu of the dues for those land parcels, which have been used to launch projects. But the authorities are yet to complete the transaction, which has left these developers in lurch as they are still termed as defaulters.

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“Once all these issues are addressed, a number of projects can turn regular in the authorities’ record books and be entitled to receive completion certificate, which would authorize them to hand over flats to buyers,” Manoj Gaur, vice-president of Credai and MD of Gaursons, said.

The UP government has formed a committee of three ministers—Suresh Khanna, Satish Mahana, and Suresh Rana—to coordinate with developers, the state, and the local authorities concerned.

Gaur said Credai is ready to work as a mediator between the incumbent developer and the proposed, new developer to complete stalled projects but, for this, the authorities would have to facilitate the process by setting their record books straight and clear the stalled projects from all liabilities and accord all permissions.

Gaur said Credai also urged the UP government to continue with the scheme of regularizing an account on the payment of 10% of the default amount. This will help developers of stalled projects in raising funds from banks and non-banking finance companies.

Holding that Credai has the requisite technical and financial depth to revive stalled projects, Getamber Anand said Credai is ready to play the role of a negotiator and facilitator in finding financiers and alternative builders to complete delayed projects.

He said Credai enjoys the trust of both homebuyers and financiers, which is a prerequisite at this moment in expediting the resolution of issues like getting consents from buyers for additional construction without affecting their amenities.