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# UK developer Malhotra Group acquires IL&FS debtor Emerald Lands with USD 73m-equivalent resolution plan

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The New Delhi National Company Law Tribunal (NCLT) has ratified a creditor-approved resolution plan from UK developer Malhotra Group Plc for Emerald Lands (India), the owner of a property project in Punjab, the tribunal's order shows.

Malhotra Realty Pvt Ltd India, a Malhotra family acquisition vehicle, on 27 July took control of the project called Imperial Golf Estate in Ludhiana district which features a golf course designed by golfing great Jack Nicklaus' company Nicklaus Design, said a source familiar with the matter.

Malhotra's resolution plan for Emerald Lands, which was entered into a corporate insolvency-resolution process (CIRP) by distressed financier IL&FS Financial Services Ltd in 2020, was approved by its committee of creditors (CoC) in August 2021, but the plan was ratified by the NCLT only in May 2023, according to the tribunal's order dated 24 May.

Malhotra's about INR 6bn (USD 72.9m) resolution plan for Emerald Lands consists of a INR 1bn (USD 12m) upfront payment and INR 5bn (USD 60.7m) for home completion and project development, said the source. The upfront payment is towards settling sole financial creditor IL&FS, operational creditors, employees, insolvency-resolution-related costs and refunding a few homebuyers, the source said.

The INR 5bn will be used to complete the construction of houses for 195 homebuyers in the first phase of the project and develop a golf club as well as for future phases of the project, the source said.

IL&FS Financial Services filed its petition to admit Emerald Lands into CIRP over a default of INR 1.57bn (USD 19.1m), according to the admittance order dated 2 January 2020.

IL&FS had admitted claims of INR 2.15bn (USD 26.1m) and a 62.49% vote share in the CoC, according to the claims list. As per the resolution plan, IL&FS' claims would be settled for INR 847.5m (USD 10.3m),

 PROPRIETARY

Asia-Pacific

Construction  
India

### Issuer

Emerald Lands Pvt Ltd



### Lawyer(S)

Chandhiok & Mahajan



### Other

IL&FS Financial Services Limited



representing a recovery of 39.4%, according to the NCLT's 24 May order.

Resolution professional Navneet Kumar Gupta also admitted INR 1.3bn (USD 15.8m) claims from the 195 homebuyers, who together had a 37.51% vote in the CoC, the claims list shows.

Malhotra's resolution plan obtained the CoC's unanimous consent, while Ludhiana-based Mahakram Developers Pvt Ltd was the only other resolution applicant, the NCLT order shows.

PwC was the advisor to Malhotra Group. Chandhiok & Mahajan, Advocates & Solicitors was legal counsel for the resolution professional.

Malhotra did not respond to request for comment.

by Rajhkumar K Shaaw

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