Project Star Rating Rationale

- **Project developer quality**
  Project Aloha is developed by Cubatic Shimul Ventures Pvt. Ltd. (CSVPL), which is a SPV floated by Cubatic Ventures Pvt. Ltd., Shimul Nirman Pvt. Ltd. and Arthveda Fund Management Pvt. Ltd. (a DHFL company) holding 24.5%, 24.5% and 51% stake respectively. The land is owned by AMR India Ltd. who has clear and marketable title ownership of the land parcel. Although the project is first development initiative of CSVPL, it draws strength from the Arthveda and DHFL’s experience in real estate development and investment experience in the sector.

- **Project construction quality and amenities**
  Aloha is a premium residential project at Jalahalli, Bengaluru, spread over the land area admeasuring 1.77 acres. The various contractors appointed for the execution of the project have adequate track record of experience. Acme Consultants Pvt. Ltd., appointed as Structural Consultants for the project, is recognized structural design and civil engineering consulting organization. Aslam Architect and Interior Designs Pvt. Ltd. is the architect for the project, which to its credit has worked on more than 300 projects. Lekhana Buildtech Pvt. Ltd. is the civil contractor for the project. The present project is the 5th residential project for the Lekhana Buildtech and has constructed cumulative area of 25 lsf. Malik Design studio is landscape consulting firm for the project whereas Canny Consultants and Canny Infratech Pvt. Ltd. are appointed as MEP consultants and MEP supply & installations for the project.
  Daily monitoring of civil works is done through MS Projects. At the end of the day, daily progress report is sent to MD. On monthly basis, the construction status and sales reports are sent to Arthveda, who also independently monitors the development work and sales progress.
  Further the project has good amenities and recreational facilities including club house, swimming pool, jogging track etc.

- **Project legal quality**
  Land title is clear and marketable (title search done by I M Devaiah and Associates for period of 50 years from April 1962 to August 2013). Encumbrance certificates for the period April 1, 2010 to July 11, 2014 and from April 1, 2014 to March 10, 2015 shows the land belongs to AMR India Ltd. and entered into JDA with CSVPL on September 21, 2013.
  All approvals viz. Local Development Authority plan approval, Height clearance, High rise NOC, Environment clearance etc. have been obtained by the developer.
  As per BBMP guidelines, the allowed FSI for the project is only 2.25 with 40’ road. But the company purchased TDRs which allowed it additional 60% of allowed FSI i.e. 1.35 (Total FSI: 3.60)

- **Project financial quality in light of time and cost overruns**
  Initially, the project was scheduled to be completed by June 30, 2017. However, the project has witnessed delays with completion date being revised to December 31, 2017 on account of slow construction progress. With 42% of construction progress (58% in total) since project launch in April 2014, execution risk remains. Due to delays in project construction, the total project cost is expected to be higher than envisaged initially. Though the company is estimating that construction cost will remain same, increase in cost is estimated due to increase in administration cost and EMI cost (due to company’s offering to pay customers’ EMIs till possession date). The project has high dependence on customer advances, nevertheless the project being promoted by Arthveda Fund Management Pvt. Ltd., an associate company of DHFL Group which enables adequate financial flexibility during stressed scenarios. Also the satisfactory booking of ~68% (on company’s share of saleable area), provides comfort over the reliance on customer advance.
Project Profile

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Aloha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Type</td>
<td>Residential</td>
</tr>
<tr>
<td>Project Location</td>
<td>Jalahalli, Bengaluru</td>
</tr>
<tr>
<td>Development type</td>
<td>Joint Development Agreement (JDA)</td>
</tr>
<tr>
<td>Project Start Date</td>
<td>April 2014</td>
</tr>
<tr>
<td>Scheduled Project Completion Date</td>
<td>December 31, 2017 (revised from earlier date of June 30, 2017)</td>
</tr>
<tr>
<td>Agreed upon Possession to the customer</td>
<td>December 31, 2017 (revised from earlier date of June 30, 2017)</td>
</tr>
<tr>
<td>Total Saleable Area</td>
<td>3.02 lsf (Company’s share- 1.96 lsf)</td>
</tr>
</tbody>
</table>
| Construction Status as on December 13, 2016 | • Tower A&B- 12th floor (out of 14) slab work completed  
• Tower C&D- 11th floor (out of 14) slab work completed. |

Project Developer Profile

| Name of the company developing the project | Cubatic Shimul Ventures Pvt. Ltd. |
| Project developer group                  | Cubatic                              |
| Development Experience of the developer group | Aloha is the first project of the developer |
| No. of years in the industry             | 2 years                              |
| No. of projects developed till date      | Nil                                  |
| Total Area developed till date           | Nil                                  |
| No of ongoing projects                   | One                                  |

Disclaimer
CARE’s star rating of real estate projects is an opinion on the developer’s ability to execute the real estate project in timely manner and with the agreed upon quality standards. Besides, it is an opinion of the legal quality of the project. The analysis draws heavily from the information provided by the developer and information obtained from sources believed by CARE to be accurate. However, CARE does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Also, CARE does not guarantee the adequacy of title search done to arrive at the legal quality of the project. CARE’s Real Estate Star rating is also not a recommendation to buy, sell or hold the rated real estate property. CARE shall also not be liable for any losses incurred by users from any use of such rating. Most of the developers whose real estate projects are star rated by CARE have paid a rating fee.
Project Photographs as on December 13, 2016

Front view of site

Block A & B

Block C & D
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