

“Arihant Adita” By Arihant Superstructures Ltd.

Current Project Star Rating – “Jodhpur 4-Star”

Previous Project Star Rating – “Jodhpur 4-Star”



Project Star Rating Rationale –

- **Project developer quality** – The project belongs to the Arihant Group. The Arihant group has strong track record of developing real estate projects in and around Mumbai region with 40 projects completed over the period of more than two decades. Besides, the developer has ten ongoing projects, excluding Arihant Adita. Furthermore, the developer has entered into Jodhpur Real Estate market with the project - Arihant Adita.
- **Project construction quality and amenities** – Above average track record of project contractors, adequate and innovative project amenities, which includes green building concepts on top terrace for cool temperature and unplasticized polyvinyl chloride (UPVC) sliding windows with tinted glass and project site being comfortably connected; though located in the outskirts of the city. The project is one of the first high rise residential projects in the Jodhpur city. Presently, the construction work on eight buildings (Phase I and Phase II) is under progress. Construction for Phase III has not commenced.
- **Project legal quality** – The developer has received “Patta” from Jodhpur Development Authority (JDA), which states that the land can be used for real estate development. The project comprises of 14 buildings with 10 floors spread in phases and has received construction approval for all phases. Moreover, during February 2012, the project also received environmental clearance.
- **Project financial quality** – As per the current development plans of the company, major construction funding is dependent on customer advances. Given the cyclical nature of industry, the project funding risk is on higher side.

Project Profile

Project Name	Arihant Adita
Project Type	Residential
Project Location	Gangana, Jodhpur
Development Type	Bought out land
Project Start Date	June 2011
Scheduled Project Completion Date	December 2016
Agreed upon Possession to the customer	December 2016 (Revised from initial proposed date of December 2015)
Total Saleable Area	10.28 lakh square feet (lsf) having 830 units in 14 buildings spanning across three phases. Phase I: 2.43 lsf Phase II: 3.27 lsf Phase III: 4.58 lsf
Construction Status	Construction work on 8 buildings (Phase I and Phase II) is under progress. (For Building 1 to Building 4 under phase I work for 11 th slab is under progress. For building 1 to building 4 under phase II development work is at various stages [in the range till 1 st slab to 8 th slab]) Construction for Phase III has not commenced.

Project Developer Profile

Name of the company developing the project	Arihant Superstructures Ltd
Project developer group	Arihant Superstructures Ltd
Development Experience of the developer group	24 years
No of years in the industry	24 years
No of projects developed till date	40
Total Area developed till date	34 lsf of saleable area
No of projects ongoing	10 (107.47 lsf of saleable area)

Project Developer

Arihant Superstructures Ltd (belonging to the Arihant Group) is an established real estate developer in Navi Mumbai. The Arihant group has strong track record of developing real estate

projects in and around Mumbai region with 40 projects completed over the period of more than two decades.

Arihant Superstructures Ltd (ASL), the flagship company of the group is listed on BSE (Bombay Stock Exchange) and is also ISO 9001:2008-certified. The developer is also a registered member of MCHI and Builder Association of Navi Mumbai (BANM). The past experience of the developer is characterized by concentration of its projects in the Mumbai region. The current project (Arihant Adita) is located in Jodhpur (Rajasthan) and is the first project by the developer in the city. Furthermore, the company has launched two other projects in the Jodhpur city.

The company is headed by Mr Ashok Chhajjer, the Managing Director (MD). Apart from the overall functioning of the project, the MD overlooks architecture related aspects of the project. The company has its own 'in-house' team of engineers, consultants and legal advisors, who take care of the company's technical, financial and legal issues, respectively.

The Group has Enterprise Resource Planning (ERP) system which helps intense management of multiple projects effectively with upto date status reports for all the project aspects including sales, construction progress and resource availability.

Financial Performance – Arihant Superstructures Limited

(Rs. Cr)

For the Year Ended / As on March 31,	2010	2011	2012
	(12M,A)	(12M,A)	(12M,A)
Total Income	27.06	107.77	62.16
Total Cost	24.11	95.10	45.21
PBILDT	2.96	12.68	16.95
Interest	0.94	1.72	4.85
Depreciation and Amortization	0.03	0.15	0.29
PBT	1.99	10.81	11.83
Tax	0.68	3.45	3.83
PAT	1.31	7.36	8.00
GCA	1.40	7.66	8.29
Equity Share Capital	14.94	27.44	27.44
Tangible Networth	15.41	36.71	43.74
Promoter loan	-	10.79	19.94
Total Debt	0.25	22.75	46.43
Cash	0.29	0.38	13.13
Total Capital employed	15.67	59.58	90.17
PBILDT Margin (%)	10.92%	11.76%	20.15%

PAT Margin (%)	4.84%	6.83%	9.50%
Overall Gearing (x)	0.02	0.62	1.06

Project Details

Arihant Adita is one of the first high rise residential projects in Jodhpur. The project proposes to provide with all state of the art facilities and amenities such as swimming pool, badminton court, basket ball court, kids play room, amphitheatre, garden lawn, steam room, gymnasium, etc to name a few. The project consists of 830 units in 14 buildings and is built on an area of 11.63 acres of land. The project has a total saleable area of 10.28 lsf in all three phases. The project site is on the outskirts of Jodhpur.

- **Highlights of the project**
 - Provision for rain water harvesting
 - Gothic elevation design
 - Solar Panel
 - Club house, gardens and swimming pools as common amenities
 - Shuttle bus service
 - Green concept at top terraces for cool temperature

As on February 22, 2013, work for 11th slab is in progress for all the four buildings in Phase I. Besides, work for Phase II is also in progress and the slab work for four buildings is at various stages.

Brief particulars about various contractors is as follows –

1. Structural Consultants

A.G. Gokhle and associates are the structural consultants to the project. The firm is Mumbai based and has developed 350 projects as of current date. Prior to this project, the firm has completed 50 projects, which are of similar size to the project being rated. The firm is associated with the developer since last 16 years.

2. Architects

Vinee Architects from Mumbai serve as the architects for the project. They have been associated with the developer group since last five years. They have completed 90 projects in total and 15 projects similar to the current Project.

3. Civil Engineers

The civil construction works is overseen by Balaji superstructures. The firm has constructed 100 projects in the past and 12 projects were of similar size to the current project being rated.

4. Project Management Consultants

Dev Architects undertakes the project management activities for the project. The firm has over 100 project experience and have completed five projects in the past that are of similar nature to the project being rated. The firm has been working with the developer since last two years.

Project Legal status

- The JDA has issued the Patta, which permits the developer to construct a residential housing project on the same. The FSI available to the developer is about 1.33 (increased from 1.20 as on September 2011) and the developer uses the entire FSI. As a result, a number of flats increased from 826 to 830.
- Clear and marketable land title with a title search conducted for two years.
- The project has received construction approval for all phases and has also received environmental clearance during the review period.
- The project doesn't require CRZ or aviation clearance. High rise clearance for the project has been obtained by the Law committee.
- The sale agreement, though is thoroughly detailed and covers all possible points, does not provide for penalty to the developer in case of delay in completion of the project.
- Besides, the sales agreement does not specify a particular date of possession or a time frame from the booking date.

Project Financial Status

- The total project cost of Rs.168.92 crore is being funded by way of promoter funds of Rs.6.13 crore and through customer advances of Rs.162.79 crore. Initially, the company had envisaged utilizing debt of Rs.25 crore for the project; however, the company now plans to rely on customer advances to fund the balance construction cost.
- As on December, 2012, the project has already incurred Rs.18.41 crore towards the project (land cost of Rs. 4.49 crore and construction of Rs.13.92 crore), which was funded through promoter funds of Rs.6.13 crore and customer advances of Rs.12.28 crore. The remaining cost of Rs.156.64 crore is to be funded through customer advances.
- The company has achieved sale bookings of 230 (2.65 lsf) units in Phase-I and Phase-II. The bookings for Phase-III are yet to commence.

CARE's 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.

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Project Photographs





Kitchen – sample flat



Drawing room – sample flat

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