

Rating Rationale

Mani Tirumala by Mani Tirumala Projects Pvt. Ltd.

Project Star Rating – “Bhubaneswar 5-Star”



Project Star Rating Rationale –

- **Project developer quality** – The developer, Kolkata based Mani group, established in 1980, has a long track record of developing real estate projects. The group has developed a total area of 372 lsf (lakh square feet) since inception, comprising 41 projects. Though the group mainly operates in Kolkata, it has presence in Jaipur, Durgapur, Siliguri & Bangalore as well.
- **Project construction quality and amenities** – Above average track record of project contractors, usage of quality building material products, adequate project amenities proposed and project site being adequately connected; though located in the outskirts of the city.
- **Project legal quality** – Clear land title as confirmed by the advocate of Kolkata High court. All pre-construction approvals have been obtained for the project. Besides, the project is being executed well under permissible FSI of 2.5.
- **Project financial quality** – The project has moderate funding risk as considerable portion of promoters contribution (about 50%) is yet to be received. However, the balance money to be received from the booked flats would be able to meet about 91% of the remaining construction cost of the project. Further, debt portion has also been tied up.

Project Profile

Project Name	Mani Tirumala
Project Type	Residential Complex
Project Location	Bhubaneswar, Orissa
Development Type	Bought out land
Project Start Date	October 2010
Scheduled Project Completion Date	December 2013- March 2014
Agreed upon Possession to the customer	December 2013
Total Saleable Area	8.6 lsf with 11 blocks
Construction Status	Piling work has been completed and civil work is in advance stage of construction for all eleven blocks

Project Developer Profile

Name of the company developing the project	Mani Tirumala Projects Pvt. Ltd.
Project developer group	Mani
Development Experience of the developer group	31 years
No of years in the industry	31 years
No of projects developed till date	41 projects
Total Area developed till date	372 lsf of saleable area
No of projects ongoing	11 (approximately 88 lsf)

Project Developer

The project is a joint venture (in 51:49 ratio) between Mani Group of Kolkata and Shri Govind Garg of Kolkata & Shri Ashish Garg. Mani group, promoted by Shri Sanjay Jhunjhunwala in 1980, is mainly engaged in development of residential and commercial real estate projects. Since its inception, Mani group has developed a total area of 372 lsf comprising 41 projects. The group has presence in Jaipur, Durgapur, Siliguri & Bangalore as well. Mani Tirumala is the first real estate project of the group in Bhubaneswar. On completion, it shall be the largest project for the group with saleable area of about 8.6 lsf as against the largest completed project size of 5.4 lsf.

Shri Jhunjhunwala, aged 51 years, is a first generation entrepreneur having more than three decades of experience in real estate industry. The group in last few years has also diversified into hospitality, retail, education and power sector. Shri Govind Garg & Shri Ashish Garg both have a plywood business in Vishakhapatnam and are actively involved in real estate development with Mani group.

Shri Jhunjhunwala serves as the Chairman & Managing Director and looks after day to day implementation of the project. Although the major project work is outsourced to renowned contractors, the Mani group has its own in-house team of engineers, accountants and marketing personnel who take care of company's project planning, financial and marketing functions respectively.

Project Construction Details

The project is located at Nandan Kanan Road, around 13 km from Bhubaneswar's railway station and around 15 km from Bhubaneswar's airport. The residential complex envisaged under the project proposes to have 11 residential blocks where in eight blocks shall have B+G+14 floors and the remaining three shall have B+G+13 floors. Land required for the project has already been acquired. The piling work has been completed and civil work is in advanced stage of construction for all eleven blocks.

Major Project Facilities

- Modern amenities like swimming pool, lounge with coffee shops, club house, banquet halls, gymnasium, children's park, crèche, etc.
- Provision of generator for all common amenities in the project.
- DG sets providing power back-ups for the basic facilities in each flat.
- All flats will have burglar/ security alarm system with switches installed near the entrance of the apartments and in all bedrooms.
- The complex will have high-end security system for movements of cars, vendors and visitors.
- Sport facilities for table tennis, cards, carom, pool, badminton, squash, basketball & cricket
- Water treatment plant
- Provision of servant quarter dedicated to each flat.

The project booking status is 63% (280 flats booked out of 444 flats available for sale).

Brief particulars about various contractors is as follows –

1. Civil Engineers

Ahluwalia Contracts (India) Ltd. (ACL), civil engineers for the project, have an experience of over three decades and completed many large size projects (comprising of malls, hospitals, commercial complexes, residential & commercial real estate, hotels etc.) pan India. ACL has been associated with a number of completed projects of the Mani group in the past.

2. Architects

Agarwal & Agarwal (A&A), architects for the project, are associated with Mani group from last five years and have done the architecture work for many of its completed residential as well as retail projects. A&A has completed a considerable number of projects (comprising of IT parks, residential & commercial real estate, retail etc.) across ten states and several projects similar to this project.

3. Project Management & Structural Consultant

Design Tree Services Consultants Services Pvt. Ltd. (DTS), the Project Manager, is also associated with Mani group from last few years and has done the consultancy and similar type of work for many of its completed projects.

Project Legal status

The project has received all the approvals required for construction of the proposed eleven blocks. Clear and marketable land title is available. The FSI available to the developer is about 2.5x whereas the project is having saleable area of 2x leaving moderate level of open space. For home financing, the project has been approved by SBI, PNB, Axis Bank, HDFC, and ICICI Bank.

The flat sale agreement covers important points like:

- Land details on which the project is being constructed.
- Completion & possession date for the construction of the unit.
- Details of the cost of flat and stage wise installment payment.
- Details and amount of cost of maintenance of the complex.
- Details of penalty/revoke clause in case of time overrun by the developer or delay in payment by the purchaser.
- Detailed information regarding the contents of common areas and installations.
- Details of additional cost in case of transfer of portion of property.

Project Financial Status

The total project cost of Rs.200.0 crore is being financed as follows:

	Total envisaged	Amount utilised as on Dec. 31, 2012	The bank facility has already been sanctioned and tied-up.
Promoter's contribution	Rs.80.0 crore	Rs.40.0 crore	
Advance from customers	Rs.70.0 crore	Rs.70.0 crore	
Fund based facility	Rs.50.0 crore	Rs.35.0 crore	
	Rs.200.0 crore	Rs.145.0 crore	

The project has completed bookings of 63% of the available flats with an estimated sale value of Rs.120 crore. The balance money to be received from the booked flats would be able to meet about 91% of the remaining construction cost of the project.

Disclaimer

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 (*as on January 31, 2013*)

Piling and Civil construction work

