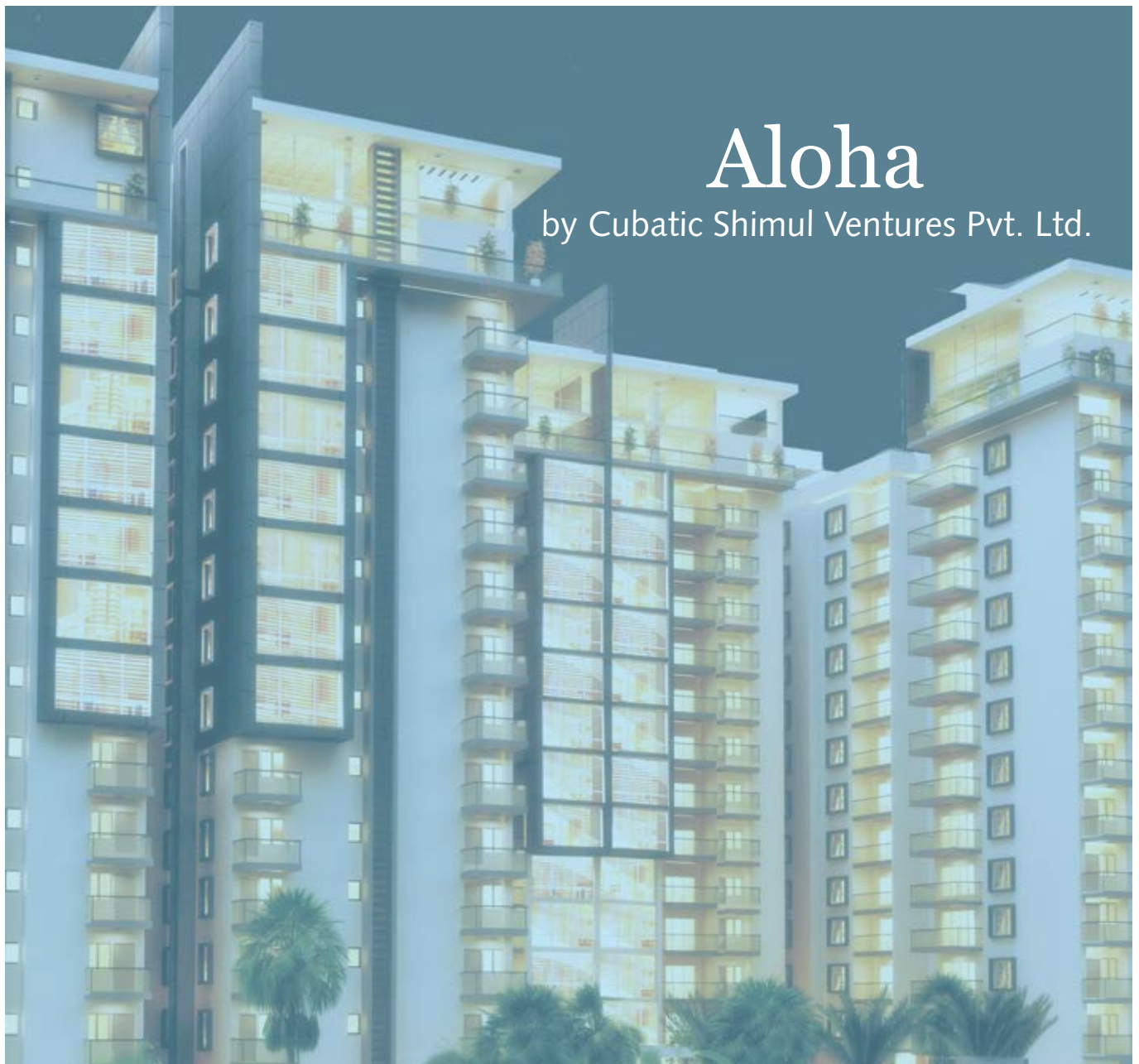




June 2015



Aloha

by Cubatic Shimul Ventures Pvt. Ltd.

Rated Bengaluru 5-Star By CARE Ratings

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. (Arthveda, an associate company of DHFL) 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 the 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. Acme Consultants Pvt. Ltd., appointed as Structural Consultants for the project, is a 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 Isf. Malik Design studio is the landscape consulting firm for the project whereas Canny Consultants and Canny Infratech Pvt. Ltd. are appointed as Mechanical, Electrical and Plumbing (MEP) consultants and MEP supply & installations for the project.

Daily monitoring of civil works is done through MS Projects.

Furthermore, the project has good amenities and recreational facilities including club house, swimming pool, jogging track etc.

- *Project legal quality*

As per the opinion of I M Devaiah and Associates, land title is clear and marketable (title search conducted for a 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. who 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 2.25x with 40' road. But the company purchased TDRs which allowed it additional 60% of the allowed FSI i e 1.35x (Total FSI: 3.60).

- *Project financial quality*

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 around 30%, provides comfort over the reliance on customer advance.

Project Profile

Project Name	Aloha
Project Type	Residential
Project Location	Jalahalli, Bengaluru
Development type	Joint Development Agreement (JDA)
Project Start Date	April 2014
Scheduled Project Completion Date	June 2017

Agreed upon Possession to the customer	June 2017
Total Saleable Area	3.02 Isf
Construction Status as on April 28, 2015	<ul style="list-style-type: none"> • Tower C&D- Ground floor slab framework is in progress. • Tower A&B- Excavation 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

Project Developer

Cubatic Ventures Pvt. Ltd. (CVPL), developer of the project, is promoted by Mr T S Babu in the year 2013. Mr T S Babu has more than 32 years of experience in the real estate & infrastructure industry and to his credit has been involved in execution of more than 50 projects while working for various companies. Though, Aloha is the first project of the developer, it has been ably supported by Arthveda, which has an in-house team of civil engineers and architectures which monitors the ongoing construction work schedule, type of the material used etc. Arthveda has track record of successfully exiting from 8 real estate projects with an IRR ranging from 20%-45%. Furthermore, being part of DHFL group, it draws financial strength from its promoters.

Project Details

The project consists of 198 units (approved by Bangalore Development Authority) of 2BHK, 3BHK and Penthouse residential apartments to be built in 4 towers of 2 basement+Ground+14 floors each. Project is developed as JDA with AMR India Ltd., owner of the land. The project is located near to the Outer Ring Road & New BEL Road in Jalahalli which is considered as the Green Belt of Bengaluru. Jalahalli Metro Station is around 4 km and Yeshwanthpur railway station is 5 km from the project. The project will also house swimming pool, basketball and tennis courts, jogging track etc. Project design is in conformance with seismic zone II requirements.

Highlights of the Project

- Power back up: 100% DG Power Backup for all common areas, amenities and apartments except ACs and Power sockets.
- Security provision: CCTV cameras would be installed near:
 - The main entrance & exit.
 - Stilt Peripheral all around the building.
 - Lower, Upper basement & Stilt Entrance/Exit regions such as staircase, ramp & Lift.
 - Amenities blocks such as Gym, Lobby, Terrace Garden, etc.
 - Monitoring of all cameras would be done in Electronics room (Upper basement).
 - Apart from CCTV, Telephone point provision would be provided near security rooms, Lobby & flats, which enhances the security system.
 - Data Point & Power would be provided in security rooms for provision of boom barrier system.
- Recreation Facilities: Gym, Swimming Pool, Play Courts, Park/ Play area
- Fire Safety mechanism/provisions available:
 - Lower Basement, Upper Basement & stilt floors would be provided with fire sprinklers systems.
 - All the floors in each block would be provided with fire hose reel.

- All the floors would be provided with MCP with hooter (hooter which acts as speaker for talk back). In case of hazard any person can intimate through MCP & Fire alarm panel which will integrate to PA panel that will announce at that particular floor for evacuation.
- Telephone point would be provided in all floors near staircase & Fire man telephone handset will be provided in stilt floor near the staircase. In case of any fire hazard at a typical floor, this handset would be carried by fire man and plug in at that respective floor for communication purpose.
- Fire alarm & PA panel would be located in Electronics room at upper basement.
- Elevators: Automatic Passenger Lifts with V3F Technology
- For rain water harvesting, around 10 harvesting pits are provided in premises for water percolation.
- Car Parking:

Total Car Parks	237
Open Area Car Parks	-
Stilt Area Car Parks	237
Average Car Parks per Unit	1.2

- Building foundation technique
 - Foundation system of the project consists of Raft foundations and Individual Footings. Based on the soil report, foundations are designed for a Safe Bearing Capacity of 30 T/m². The footings are designed for total allowable settlement of 40 mm. All the necessary checks are made as per IS 456-2000, IS 2950 (Part I).
 - The project has RCC framed structure to withstand wind and seismic loads for Zone 2, with solid block masonry walls with 12mm thick single coat cement plaster. External walls have 20 mm double coat sand faced cement plaster. Ceiling – 6mm single coat cement plaster.

Current status of the project

Particulars	Remarks
Structural Consultants	Acme Consultants Pvt. Ltd. (Acme) is the structural consultant for the project. Acme, established in 1963, is specialized in the areas of design, civil and structural engineering, planning, environmental engineering, transportation engineering and project management services. Some of its prestigious clients include RBI, State Bank Group, ISRO, ONGC, Ministry of Forest and Environment (GOI), IIT Kharagpur etc.
Architects	Aslam Architect and Interior Designs Pvt. Ltd. (AAIDPL) is the architect for the project. AAIDPL, headquartered in Bengaluru, was established in 1993 and is into providing architecture, master planning, interior design, space planning and on-site project management. Since inception the company has worked on more than 300 projects.
Civil Engineers	Lekhana Buildtech Pvt. Ltd. is the civil contractor for the project. Incorporated in 2007, the present project is the 5th residential project for the company and has constructed cumulative area of 25 lsf.
Landscape Consultants	Malik Design studio (MDS) is Landscape consulting firm for the project. MDS is a landscape architecture firm providing collaborative design and management services. Since its establishment in 2005, firm has handled more than 60 projects of a similar nature.
MEP Consultants	Canny Consultants
MEP Supply and Installation	Canny Infra Tech Pvt. Ltd.

Project legal status

The entire land parcel of 1.77 acres is owned by Ms AMR India Ltd. who has clear and marketable title ownership of the land parcels as per the title search done for 50 years (April 1962 to August 2013) by I M Devaiah and Associates (advocate). Two 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. who entered into JDA with CSVPL on September 21, 2013.

Project legal status

Particulars	Received	Remarks
Local Development Authority plan approval	December 15, 2014	Valid till December 14, 2016
NOC from Pollution Control Board	December 23, 2013	
NOC from Fire Department	April 11, 2014	
NOC from BSNL	November 18, 2013	
NOC from Electricity board	December 3, 2013	Valid till December 3, 2015
NOC from Water Supply and Sewerage Board	May 28, 2014	
Height Clearance	December 18, 2013	
High Rise NOC	September 9, 2014	
Environment clearance	March 5, 2015	

The allowed FSI for the project is only 2.25x with 40' road. But the company purchased TDRs which allowed it additional 60% of allowed FSI i.e. 1.35x (Total FSI: 3.60)

Key features of sale agreement

- Details of ownership and specifications of land are discussed in detail.
- Date of possession in the agreement has been clearly specified as June 2017.
- Unit number of the apartment with its block and wing along with the floor location, super built up area and the car parks is mentioned for clear identification.
- Construction linked payment schedule provided in the agreement.
- Penalties on buyers – Agreement specifies 18% p.a. interest for delays in payment. Furthermore, if purchaser defaults in taking possession, it shall be liable to pay Rs. 5 per sq. ft. of super built up area per month.
- Details pertaining to maintenance charges are discussed in detail.
- The price of the flat is fixed in the agreement.
- Clear description of cancellation terms provided in the agreement.
- Penalty on developer in case of giving delayed possession not mentioned.
- Defect liability period not mentioned in the agreement.
- Developer's right to terminate the project and recourse to the buyers not mentioned.

Project financial status

- The project cost of Rs.73 crore is proposed to be funded out of customer advance of Rs. 58.5 crore and equity of Rs.14.5 crore.
- As on April 25, 2015, the project has already incurred a cost of Rs.22.8 crore, funded with customer advance of Rs.3.5 crore and equity of Rs.14.5 crore and short term debt of Rs.5 crore. Of the Rs.22.8 crore cost incurred, Rs.14.2 crore pertains to construction cost, Rs.5.5 crore as TDR cost and the balance Rs.3.1 crore towards other expenses.
- As on April 15, the project had a booking of around 30% and the balance customer advance available from the sold inventory is Rs.37.5 crore as against the balance construction cost to be incurred of Rs.48 crore.

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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 April 28, 2015



Full view of site



South side ramp from UB floor level to stilt floor level works in progress



Ground Floor slab framework in progress

About CARE Ratings

CARE Ratings is a premier credit rating, research and information services company promoted in 1993 by major banks / financial institutions in India. It has emerged as a credible agency for covering many rating segments like that for banks, sub-sovereigns and IPO gradings. CARE Ratings is a listed company. CARE Ratings provides the entire spectrum of credit rating that helps corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices. With independent and unbiased credit rating opinions forming the core of its business model, CARE Ratings has the unique advantage in the form an External Rating Committee to decide on the ratings. Eminent and experienced professionals constitute CARE's Rating Committee.

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