



June 2014

The Gran Carmen Address

by India Build Villas Development Pvt Ltd



Rated Bengaluru 6-Star By CARE Ratings

Project Star Rating Rationale

- *Project developer quality*

The Gran Carmen Address (TGCA) is being developed by Piramal Fund Management Pvt Ltd (PFMPL), which is the private equity investment arm of Piramal Group and one of the country's largest real estate funds. PFMPL has constituted a special purpose vehicle (SPV), India Build Development Pvt Ltd for the execution of TGCA. Although the project is its first development initiative, PFMPL draws strength from the Piramal group's experience in real estate development and its own investment experience in the sector.

- *Project construction quality and amenities*

TGCA is a premium residential villas project located at Sarjapur Road, Bangalore. The various contractors appointed for the execution of the project have adequate track record of experience. Vintech Consultants (VC) have been appointed as Structural Consultants for the project, which is a nationally recognized structural design and civil engineering consulting organization. Morphogenesis is the architect for the project, which is a Delhi based organization globally recognized for its architectural designs. Cicon Engineers Private Limited (Cicon) is the civil construction contractors for the project. Cicon has been in the construction business for more than 23 years. DTZ Project Management and Building Consultancy (DTZ) is the project management consultant for the project. DTZ is global property services provider and has a long track record, since their origin in England since 18th century.

Further the project has good amenities and recreational facilities including a 30,000 sq ft club house, short course Olympic size swimming pool, fully equipped gymnasium, spa etc.

- *Project legal quality*

The title of the project land area of about 13.3 acres is clear and marketable as per the title search done for 30 years (title search was done by Mr. Jayant M. Pattanshetti). However the current approved building development plan is on 11.3 acres of this land parcel, with 109 units of Villas and 30,000 sq.ft club house. The developer has submitted a revised development plan on 13.3 acres relocating the club house to front (road facing side). All statutory approvals including environment clearance, consent to establish from the State Pollution Control Board are in place for the entire land parcel of 13.3 acres. So far 86 units have completed basement work and commencement certificate from Bangalore Development Authority (BDA) for construction of super structure of these units was received from BDA on April 09, 2014.

The project has a maximum permissible FSI of 3, however the developer plans to utilize 0.72.

- *Project financial quality*

The project has high dependence on customer advances, nevertheless the project being promoted by PFMPL a private equity investment arm of Piramal Group which enables adequate financial flexibility during stressed scenarios. Also the satisfactory booking of ~50%, provides comfort over the reliance on customer advance.

Project Profile

Project Name	The Gran Carmen Address (TGCA)
Project Type	Residential Villas
Project Location	Sarjapur road, Bangalore
Development type	Joint Development
Project Start Date	August 2013
Scheduled Project Completion Date	December 2015
Agreed upon Possession to the customer	30 months from receiving commencement certificate plus three months grace period.
Total Saleable Area	2.82 Isf (developer's share under the JDA)
Construction Status	The basement works for the 86 units have been completed and superstructure work is in progress.

Project Developer Profile

Name of the company developing the project	Piramal Fund Management Pvt Ltd (under a SPV Indiabuild Villas Development Pvt Ltd)
Project developer group	Piramal group
Development experience of the developer group	4 years under its real estate development arm Piramal Realty and couple of projects by the group prior to that
No. of years in the industry	Same as above
No. of projects developed till date	2 projects by Piramal group and another 20 Isf developed by Piramal Realty
Total Area developed till date	31.5 Isf
No of ongoing projects	Various projects of total development area of 200 Isf under development in Mumbai

Project Developer

PFMPL initiated in 2006 for real estate asset management is 100% held by Piramal Capital, the financial services company of the Piramal Enterprises Ltd (PEL), the flag ship company of the Piramal Group. The Piramal Group is a global business conglomerate with interest across pharmaceutical, specialty glass, real estate and financial services. PFMPL has an overall asset under management (AUM) of Rs.7550 crore as on March 2014 involving about 60 msf of built up area. PFMPL has investments across various real estate projects in Mumbai, NCR, Bangalore, Hyderabad and Chennai. PFMPL has ventured into real estate development initiative under a brand 'The Address Makers' and TGCA is the first project under it.

PFMPL draws strength from the Piramal group's experience in real estate development which has developed one of the first shopping mall in India, Crossroads in South Mumbai and commercial space Peninsula Corporate Park. The Piramal group re-launched real estate development in 2010 under Piramal Realty headed by Mr. Khushru Jijina, the Managing Director (MD), who has over 20 years of experience in real estate industry. Under Mr. Jijina's leadership, Piramal Realty has so far completed over 20 Isf of built-up area and has a strong pipe line of 200 Isf of real estate project under development in Mumbai. Mr. Jijina is one of the founding members of PFMPL and currently acts as its MD.

Project Details

The project is located on the Sarjapur road, approximately 2.5 km further ahead of Wipro Corporate office towards Sarjapur. This is one of the prime development areas in Bangalore. The site has good road connectivity. Proximity includes rail way station (0.5 km), international schools, IT parks and shopping malls. The project proposes over 70% green space sans vehicular movement in the podium. The project consists of 109 units (approved by Bangalore Development Authority) of 3, 4 and 5 bhk villas and duplex and a 30,000 sq.ft club house with all modern amenities. The project also proposes to have rain water harvesting, 100% power back up, double layer security protection with closed-circuit television (CCTV) surveillance.

TGCA is designed in conformance with seismic zone II requirements as Bangalore falls under that category described as low to moderate activity zone.

TGCA project has been pre-certified, 'IBGC Green Homes Platinum Rating' by Indian Green Building Council. This is the highest rating on scale of four. The rating is based on features of the proposed project including energy saving, water saving, wind circulation and other parameters.

Highlights of the Project

- o Short course Olympic size Swimming Pool*
- o Lawn areas and club house*
- o Sports amenities like tennis, squash, badminton, table tennis and basketball court etc.*
- o Jogging track*
- o Gymnasium and spa with steam, sauna and Jacuzzi facilities*
- o Toddlers play area*
- o CCTV, Video Doorbell System, intercom facility and 24/7 Security guard*
- o 100% Power back up*
- o Rainwater harvesting plant*
- o Sewerage treatment Plant*
- o Solar heating systems*
- o Approximately 2 car parking space per unit*
- o 70% green space and no vehicular movement in podium*

Brief particulars about various contractors is as follows –

I. Architects,

Morphogenesis based in Delhi is globally recognized and ranked amongst the top 100 architectural design firms worldwide by Building Design UBM (UK) in its WA100, 2013.

Amongst other accolades Morphogenesis won Indian Institute of Architects Award for Excellence in Architecture, Seal of Distinction, Cityscape Awards, emerging markets (Dubai), International Design Awards, Architecture (USA) etc

Some of the prestigious projects for which Morphogenesis has provided architectural design are The Uttarayan Township (Siliguri), The Renaissance Township (Burdwan), Paras Tieria (Greater Noida), Aurora (Coimbatore), The Siolim Villas (Goa) etc.

II. Structural consultants

Vintech Consultants (VC) is a nationally recognized Structural Design and Civil Engineering consulting organization. VC founded in 1988 by Dr. Vinod Jain Ph.D (Structures) from IIT Delhi is a ISO 9001:2008 accredited company for its structural design and structural proof consultancy services. They have successfully completed more than 500 structures.

VC is involved in land mark projects such as Shipra Suncity, Regalia Heights, Windsor Park and Aditya Mega City in Ghaziabad, Carlton Estate in Gurgaon, Green Valley in Faridabad, NRI City I & II in Greater Noida amongst others.

III. Civil engineers

Cicon Engineers Private Limited (Cicon) has been in the construction business for more than 23 years. Some of the key projects executed by Cicon includes Shreyas Resort for Inner Challenges Pvt Ltd (Bangalore), School for Ashok Leyland (Hosur), Factory building for Pierburg India Pvt Ltd (Pune) etc.

IV. Project Management consultant

DTZ Project Management and Building Consultancy (DTZ) is global property services provider having a long track record, since their inception in England since 18th century. DTZ now has a worldwide presence with foothold in 208 cities across 52 countries. DTZ has managed more than 11 msf of projects across India in the last 5 years.

V. Land scape consultant

Stantec Consulting Pvt Ltd (Stantec) is an ISO 9001:2008 certified company head-quartered in Ahmedabad. Stantec is involved in wide gamut of services from land scape architecture, design, civil engineering, structural engineering, construction services etc. Land mark projects of Stantec includes JSW World headquarters (Mumbai), Eden Garden Cricket Stadium (Kolkatta), Dholera Special Investment Region Development Authority's Town planning development of over 150 sq km, Shiv Nadar University etc.

Project legal status

- The entire land parcel of 13.3 acres is owned by Ms PR Properties and Mr. K.V. Prasad who have clear and marketable title ownership of the land parcels as per the title search done for 30 years by Mr. Jayant M.Pattanshetti (advocate). Indiabuild Villas Development Pvt Ltd (IBVD) has entered into a joint development agreement (JDA) and sharing agreement (SA) with the land owners. As per the agreements IBVD gets a saleable area of 2.82 Isf (74 units) of the total saleable area of 4.22 Isf (109 units)
- The current BDA approved development plan is on 11.3 acres of this land parcel, with 109 units of Villas and 30,000 sq.ft club house. The developer has submitted a revised development plan on 13.3 acres relocating the club house to front (road facing side).
- The sale and construction agreements are elaborate detailing the carpet area, identification of the unit (Villa), construction linked payment schedule, penalties on the buyers for delays in payment and penalties on developer for delays in possession, defect liability period, details pertaining to rights for usage of common area and maintenance charges. However it does not mention a fixed date of possession and no termination option/clause for buyers on account of delays in project completion by the developer beyond agreed possession date.

Project financial status

- The project cost of Rs.149 crore is proposed to be funded out of customer advance of Rs.124 crore and debt of Rs.25 crore. The debt component of the project is already tied up.
- As on March 31, 2014 the project has already incurred a cost of Rs.44 crore, funded with customer advance of Rs.26 crore and debt of Rs.18 crore. Of the Rs.44 crore cost incurred, Rs.26 crore pertains to construction cost, Rs.9 crore as non-refundable deposits for land and the balance Rs.9 crore is a refundable deposit of land to be repaid by the land owners post possession of their share of units on project completion.
- As on March 2014, the project had a booking of ~50% and the balance customer advance available from the sold inventory is Rs.47.3 crore as against the balance construction cost to be incurred of Rs.114 crore. The project also had un-utilized committed lines of credit of Rs.7 crore.

Analyst Contact

Name: Karthik Raj K

Tel :# 080-4165 4529

Mobile +91-9880562244

Email: karthik.raj@careratings.com

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 30, 2014



Arial View of the project site



Super structure work of Villas in progress



Completion of Basement for Villas

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 with the major shareholders being IDBI Bank, Canara Bank, SBI etc. among others. 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. CARE Ratings has been granted registration by Securities and Exchange Board of India (SEBI). It is recognized by RBI as External Credit Assessment Institution (ECAI). CARE Ratings is compliant with the Code of Conduct of the International Organization of Securities Commissions (IOSCO) and Association of Credit Rating Agencies, Asia (ACRAA).

Credit Analysis & Research Ltd.

CORPORATE OFFICE

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400022.
Tel: +91-22-6754 3456, Fax: +91-022- 6754 3457, E-mail: care@careratings.com

Other Office:

503, Kaledonia, Sahar Road, Near Andheri Railway Station, Andheri (E), Mumbai - 400069.
Tel.: +91-22-6144 3456; Fax: +91-22-6144 3556

REGIONAL OFFICE

MUMBAI

Mr. Manish Sukhija
Cell: +91-9820353638
Tel: +91-22-6144 3504
E-mail: manish.sukhija@careratings.com

AHMEDABAD

Mr. Sharad Pandya
Cell: +91-8511113904
Tel: +91-79-40265658
E-mail: sharad.pandya@careratings.com

BENGALURU

Mr. Sandeep Kothapalli
Cell: +91-72597 14863
Tel: +91-80-2211 7140
E-mail: sandeep.kothapalli@careratings.com

CHANDIGARH

Mr. Sajan Goyal
Cell: +91-99888 05650
Tel: +91-172-5171102
E-mail: sajan.goyal@careratings.com

CHENNAI

Mr. V Pradeep Kumar
Cell: +91 9840754521
Tel: +91-44-2849 7812 / 2849 0811
Fax: +91-44-2849 0876
Email: pradeep.kumar@careratings.com

HYDERABAD

Mr. Shiva Sanket
Cell: +91-90300 60965,
Tel: +91-40-40102214
E-mail: shiva.sanket@careratings.com

JAIPUR

Mr. Rahul Jain
Cell: +91-9314921496
Tel: +91-141-4020213/14
E-mail: rahul.jain@careratings.com

KOLKATA

Ms. Priti Agarwal
Tel: +91-33-40181621
E-mail: priti-agarwal@careratings.com

NEW DELHI

Mr. Puneet Arora
Cell: +91-95822 32782
Tel: +91-11-4533 3213
E-mail: puneet.arora@careratings.com

PUNE

Mr. Rahul Patni
Cell: +91-78754 33355
Tel: +91-20-40009000
E-mail: rahul.patni@careratings.com

www.careratings.com