

PROPERTY

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LUXURY LIVING  
IN INDIA

# 2015



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## REFLECTIONS

# CRISIL REAL ESTATE STAR RATINGS (CREST RATINGS)

The CRISIL Real Estate Star Rating is based on an eight-point scale that is specific to the city – from 'City 7-Star', the highest, to 'City 1-Star'; for example, 'NCR Seven Star' to 'NCR One Star', seven being the highest and the lowest rating will be 'non-deliverable' project. The assigned rating will thus be a benchmark against other rated projects in the same city. The ratings are available for proposed, ongoing and recently completed commercial and residential projects. Once the rating is assigned, the project will be monitored constantly, providing timely updates on project progress. The rating will be valid till the project is completed.



## CRISIL REAL ESTATE STAR RATINGS' PARAMETERS

### Project Sponsor Quality

- Construction and Legal Track Record
- Organisation Strength, Systems and Processes
- Financial Strength of Developer(s)

### Project Construction Quality

- Structural Quality
- Infrastructure and Integrated Facilities
- Finishing
- After-Sales Services
- Likelihood of Time and Cost Overruns

### Project Legal Quality

- Clarity of Title

- Restrictive Covenants

- Encumbrances

- Sale Agreement

- Development Agreement

### Project Financial Quality

- Accounting Quality

- Project Economics or Viability

- Financial Flexibility

### Project Innovation Quality

- Innovation in the Areas of Land Acquisition/Construction Technology/ Building Design/Project Funding



# ARG PURAM

## RATING ASSIGNED: JAIPUR 5 STAR

PROJECT HIGHLIGHTS BASED ON CREST RATINGS' PARAMETERS

### Project Rating Drivers

#### Project construction quality and amenities

**Construction quality:** The structural quality of the project is backed by the sound track record of the architect (M/s. Maithel & Associates Architects, Jaipur) and structural consultant (M/s. S G Structures, Jaipur); both the consultants have established track records in the city. The civil work for the project is being undertaken by local contractors and managed by in-house teams. There is scope for improving the quality of the construction and for raw material testing onsite and through external agencies.

**Location:** The project is located on Kanota-Naila Road, and is approximately 3 kilometres (km) from Kanota junction on National Highway-11, which connects Jaipur to Dausa and further to Agra. Though on the outskirts of the city, the project is in an upcoming area and its connectivity with the central part of the city has improved with the recently operational tunnel road 'Ghat Ki Guni'. The project is targeted at business and service class people looking for independent houses and people looking to buy property outside the city.

**Amenities:** Major amenities in the project include clubhouse with swimming pool, gymnasium, games room, meditation room, community centre, temple, commercial shopping centre, multi-purpose hall, and playground. The developer has tied up with Age Ventures India and is coming up with Vintage Homes in Phase III of the project; the required amenities for senior citizens will accordingly be added in the project.



#### Project legal quality

The legal quality of the project is backed by clear and marketable land title, as certified by Advocate SRM Partners. The customer agreement has clauses on possession date, payment schedule, cancellation clause in case of delay in payments from customers, transfer charges, and penal interest in case of delay in payments by customers, but does not have clauses on defect liability in case of construction defects, delay compensation by developer in case of delay in handing over the possession and status of project approvals.

#### Project financial quality

The project financial quality is moderate, backed by fully paid land and sanctioned bank lines for funding construction. However, slow sales confine the flow of customer advances for funding construction.

#### Project sponsor quality

The project sponsor quality is driven by the sponsor's established track record in the real estate market in and around Jaipur. The group has strong presence in residential and commercial segments and has presence in real estate markets in Jaipur, Ajmer, Alwar, Kota, and Gwalior; all the projects of the group are prefixed by ARG, its flagship brand. ■

#### PROJECT SPONSOR PROFILE

Name of the project	ARG Puram
Name & address of the company developing the project	ARG Housing Pvt. Ltd. E-52, Chitrangan Marg, C-Scheme, Jaipur - 302001
Name of developer group	ARG Group
Track record in years	25 years (Since 1989)

#### PROJECT PROFILE

Type of project	Residential Villas and Blocks
Location of project	Naila Road, Kanota, Jaipur
Type of development	Bought Out
Start date of project	Phase I - March 2009 Phase II - October 2013 Phase III - April 2014
Possession committed to customer	Phase I & II - 18 months from start of construction + 3 months grace Phase III - 24 months from start of construction + 6 months grace
Total saleable area	Total - 1.01 million sq ft Phase I - 0.35 million sq ft; Phase II - 0.41 million sq ft & Phase III - 0.25 million sq ft
Percentage of physical completion as on September 2014	Phase I - 85 per cent (100 per cent for sold villas) Phase II - 75 per cent Phase III - Not yet started