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1. EXECUTIVE SUMMARY

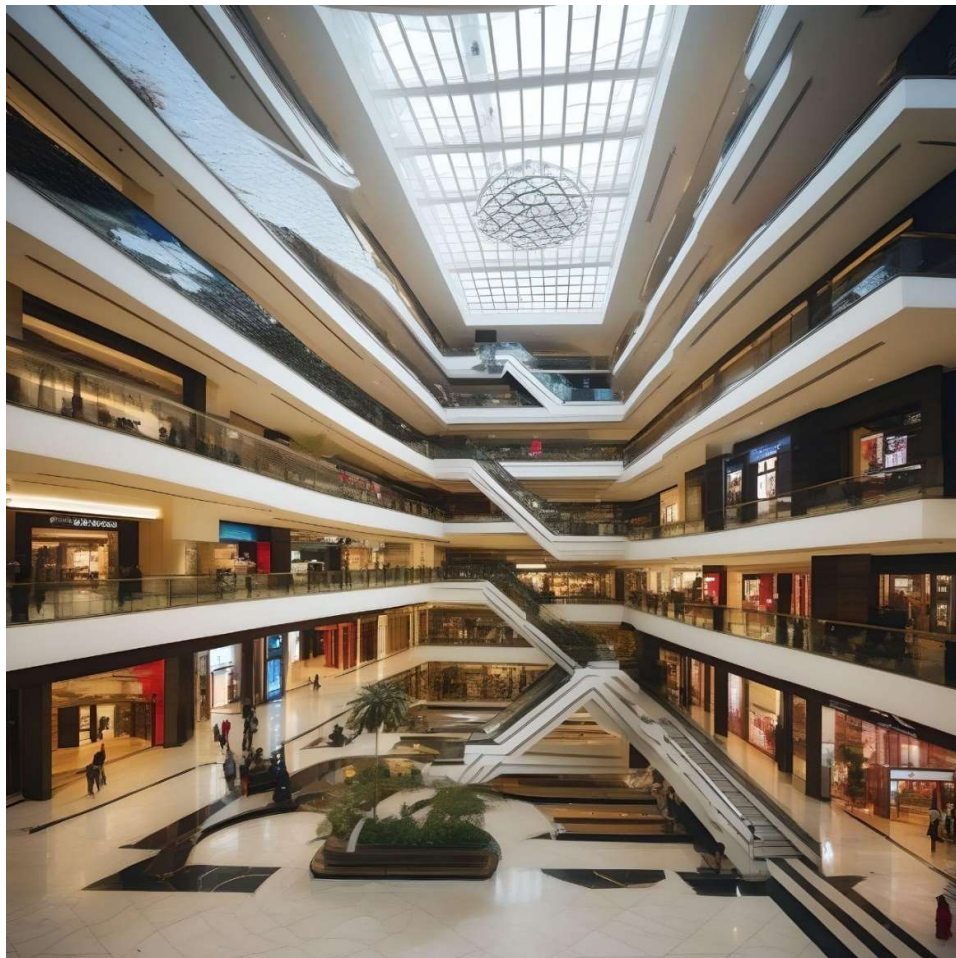
Name of the Borrower	Rich Plaza Mall Infratech
Constitution	Registered Partnership Firm
PAN	ABIFR8244E
MSME Udyog Adhaar	UDYAM-MP-22-0018135
Date of Formation/Amendment	5th March 2024 Amendment 18 th March 2024
Partners	Mrs Bhavna Batra -70% Mr Anshul Batra – 30%
E Mail	richplazamallinfratech@gmail.com
Mobile	Mr Nitin Sawlani, Landowner & Guarantor 9915284845
Registered Office	Plot No. 17 Shree Balaji Residency, Sona-Savri, Itarsi - 461111
Project Site	Plot No. 1 to 7 and 17 to 23 Shree Balaji Residency, Sona-Savri, Itarsi - 461111
Background	<p>The project is for construction of a Shopping Mall cum entertainment center. The project is envisaged on Land admeasuring 13599 Sq ft owned by Shri Nitin Sawlani, who is related to the promoter partners. Shri Nitin has agreed to the construction of a mall on the land parcels owned by him at Shree Balaji Residency, Sona-Savri, Itarsi and has issued a NOC in favour of the developer firm for construction and development of mall-cum-multiplex.</p> <p>The project is being conceived as state-of-the-art Family Entertainment Centre (FEC) and</p>

	shopping mall is claimed to be the first such facility in Itarsi.
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Project highlights	<p>The project is envisaged on a plot admeasuring 13599 Sqft with proposed coverage of 48000 sqft having Built-up area of 40797 Sqft in Phase-1, one more floor is proposed in future that will cover 12000 Sqft area.</p> <p>Out of Built-up area of 40797 Sqft in Phase-1 only 30000 Sqft is allocated as area commercially available for lease. It is anticipated that out of leasable area of 30000 Sqft, about 12000 Sqft will be allocated for anchor store, viz., Reliance Treds, Lifestyle, H&M, just to name a few.</p> <p>The 3rd Floor proposed in Phase 2 will be dedicated to Cineplex and food-court. The proposed ground coverage is about 12000 sqft.</p> <p>The project land or plots are owned by Shri Nitin Sawalini and as per T&CP approval the plot Nos. C-1 to C-7 and Plot Nos. 17 to 23 are the plots proposed to be used for mall construction.</p>
Basement	Covered Parking Area – for about 80 Cars and 100 two wheelers.
Ground Floor	<ul style="list-style-type: none"> Hypermarket, Fine-dining, ATM, Information Desk
1 st Floor	<ul style="list-style-type: none"> Fashion Wear Stores, Lifestyle Shops, Kids Zone and Gaming
2nd Floor	<ul style="list-style-type: none"> Electronics Stores, Luxury Furniture Shops, Other Luxury Shops
3rd Floor & Rooftop	Proposed in Phase-2

	<ul style="list-style-type: none"> • Multiplex and rooftop facility for events
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SUMMARY OF PROPOSED BANK BORROWING (Rs Crores)	
Cost of the Project	25.99
Means of Finance	
Promoters Margin (Capital + USL)	7.69
Security Deposit from lessees	0.30
Term Loan	18.00
Total Sources	25.99

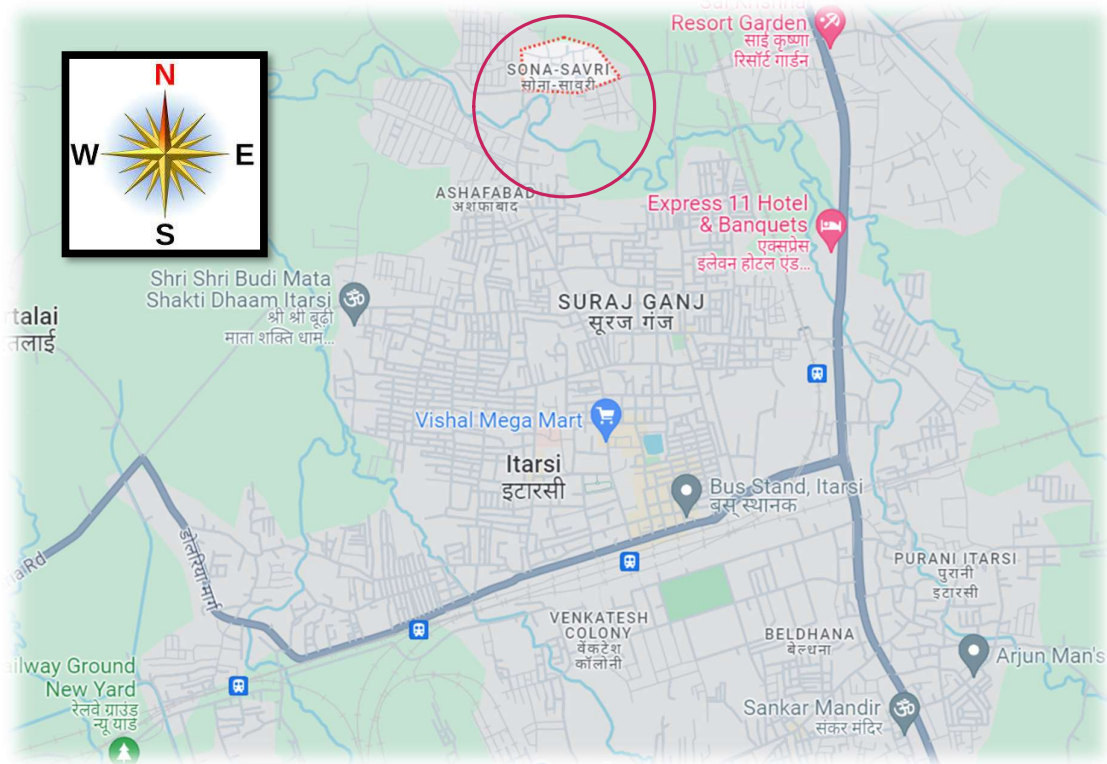


Rendered Image of Mall from Inside

2. INTRODUCTION

M/s Rich Plaza Mall Infratech (RPMI) is a firm proposing to develop a mall-cum-multiplex at Itarsi. The project is proposed on land owned by a close relative and suitable legally binding document may be suggested by bank's legal documentation.

The project land is located at Sona-Savri located in Northern Itarsi on Narmadapuram (Hoshangabad) Road an upcoming area in Itarsi. A wide area map is reproduced below:



The project Land admeasuring 13599 Sq ft with proposed ground coverage of 12000 saft construction is proposed on this land with Basement and G+2 floors in the first phase. The second phase will have 2 cineplex and rooftop facility for events.

The main promoters of the company belong to well established "Batra" family of Itarsi, namely Mrs Bhavna Batra & Anshul Batra. Now the firm has proposed to construct the shopping mall-cum family entertainment center in understanding with the land owner and the firm has approached Bank of

Maharashtra, Bhopal, for which the Bank has mandated M/s Rohit Sharma & Associates, Bhopal for Techno Economic Viability (TEV) Study of the proposed mall.

Rohit Sharma & Associates, Bhopal has prepared the TEV Study report as per the directions of the bank with specific emphasis on the following aspects:

- Locational features.
- Technical feasibility of the proposed Infrastructure.
- Adequacy, appropriateness, cost and quality of the project.
- Clearances required from Government bodies for setting up of the project.
- Present status of the project and expected commercial operation date.

Disclaimer clause

- ROHIT SHARMA & ASSOCIATES has studied the requirements of the firm, evaluated the projections and related assumptions relied upon by them, inter-alia, in the light and based on investment decision taken by the promoters duly supplemented with the further clarifications, information orally or expressly obtained from the promoters and disclosures made by them.
- The observations made by ROHIT SHARMA & ASSOCIATES about the financial and technical viability of the project/venture are an expert opinion formulated by it keeping in view, inter-alia, the prevailing external environment visualized and the same in no way be construed or interpreted to be approved by the ROHIT SHARMA & ASSOCIATES.
- ROHIT SHARMA & ASSOCIATES has only examined the project and its estimation furnished by the Company with a view to establish that under the given circumstances the project is technically feasible and financially viable. This has been done after giving due weightage to the information and data available for the industry to which this project belongs.



3. PROJECT RATIONAL & SITE SELECTION

The concept of mall-cum-multiplex also popularly called **FEC or “Family Entertainment Centers”** are brain child of the busy life that required the family units to stay together on weekends but at the same time discharge their responsibilities like picking up the groceries and having a family time together like game zone and food courts. This became possible when everything was put in a closed space under one roof. In USA the large malls are spread over acres with large parking and multiple anchors, however, this concept was modified by South East Asian Countries where land is scarce and this gave the idea of vertical arrangement. In India the concept of mall started with Metro cities with beginning of the millennium and gradually spread to tier 2 and 3 cities.

About Itarsi

Total area of itarsi tehsil is 1,032 km² including 981.39 km² rural area and 50.39 km² urban area. Itarsi tehsil has a population of 2,40,719 peoples, out of which urban population is 1,17,394 while rural population is 1,23,325. Itarsi tehsil has a population density of 233.3 inhabitants per square kilometre.

The city is deprived of a FEC or “Family Entertainment Centers” and is having a potential for modern shopping mall. The promoters will get first mover advantage. In absence of a shopping mall in the entire district people come to Bhopal or Indore for a delightful shopping experience or are dependent on traditional shopping on high street local markets.

Itarsi Local Market Profile

1st Lane to 9th Lane Market

This is one of the oldest high street market in town offering mixed shopping experience from Vegetables to White Goods, local fashion stores, grocery etc. and is located near old bus stand offering easy reach for nearby villagers.



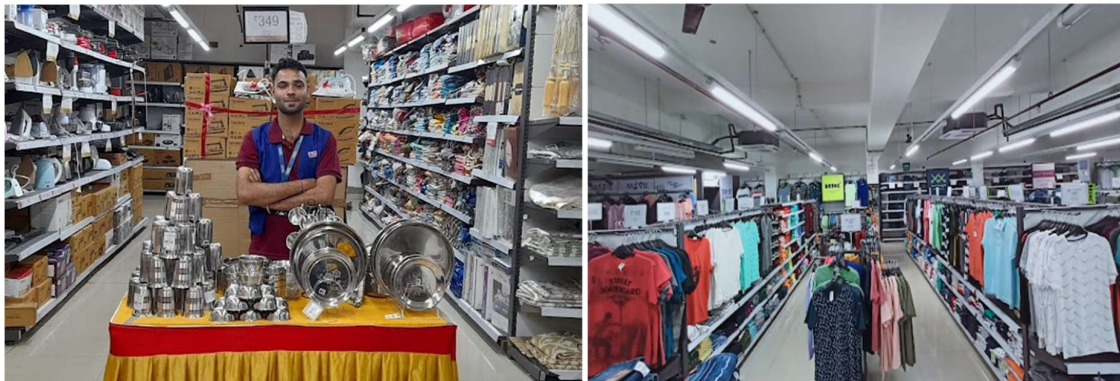
Itarsi Market near Old Bus Stand

Vishal Mega Mart



Vishal Mega Mart is a super bazar chain offering multiple household items, groceries and gadgets and electronics under on roof. They cater to masses and do not have niche market approach.

This store is located in Itarsi on road leading to Suraj Ganj from Itarsi Railway Station.



City Super Market



City Super Market is located near VIP Colony and is serving local area more like a grocery store.

Shri Sai Darshan Shopping Mall

Located in Punjabi Mohalla, this store is also a grocery store catering to local population.





DV Mart & R1 super bazars are located on the outskirts of Itarsi on Dolariya road and is beyond the reach of city center.

Both are grocery stores offering traditional shopping experience to its customers.

LKG Mall



This is an open shopping arcade having multiple shops including G-Mart, again a local super market and a grocery store. LKG Mall is located near Sina-Savri the proposed site for Rich Plaza Mall.

Reliance Mart & D Mart



Reliance Smart point is already operational in town on highway passing through Old Itarsi and is located near Gagan Magan Sweets and Restaurant.

Based on local market information these two national brands are planning a store in Itarsi but both the brands are known for offers and discounts on multiple brands and more so by offering products under own brand label and are not focused on shopping pleasure or family entertainment.

Site Selection for Rich Plaza Mall

The site has been carefully selected in upcoming modern residential area that offers open space for movement of traffic, suitable parking space and an open road in front to provide a clear view of the proposed mall. The location is easily approachable from Narmada Puram (Hoshangabad) road and is closer to target catchment from Itarsi as well as other nearby town like Seoni Malwa, Budni and Hoshangabad.



A view of project site from main road, the project site extends to include plots adjacent to open plots facing the road .

The details of the facilities proposed in the mall are covered separately in the following pages.

4. PROMOTERS PROFILE

The promoters belong to a business family and have family backup of experienced members in addition to their own strong profile.

Partners	Mrs Bhavna Batra -70% Mr Anshul Batra – 30%
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The business profile of both the promoters is given below:

Name	Mrs. Bhavna Batra
Father's Name-	Mr. Suresh Kumar Batra
Age/Date of Birth-	25th June 1995
Qualification	MBA
Brief Profile & Experience	<p>Bhavna Batra has more than 8 years of experience in the agro-based industry, specializing in marketing and business development both domestically and internationally.</p> <ul style="list-style-type: none"> - Expertise: With a strong focus on building strategic partnerships and expanding market reach, Bhavna Batra has successfully established connections with major brands in the food industry and multinational corporations. - Local Influence: As a prominent figure in Itarsi and Bhopal, Bhavna Batra's local presence and extensive network ensure maximum footfall and community engagement, crucial for the success of the mall project. - Event Management: Her experience in organizing various events adds value to the project, as she can leverage this expertise to curate engaging programs and functions within the mall, attracting visitors and enhancing the overall experience.
PAN No.	CKCPB9583M
Aadhar No.	558986843552
Email-id	richplazamallinfratech@gmail.com
Mobile No.	9871902151
Net Worth	INR 658.80 Lakhs
Address	G-2 Phase1 LKG Colony Itarsi Naramdapuram, MP

Name	Mr. Anshul Batra
Father's Name-	Mr. Suresh Kumar Batra
Age/Date of Birth-	30th January 1999
Qualification	MSC
Brief Profile & Business Experience	<p>- Background: Mr. Anshul Batra's background in the Agro-based industry spans over 5 to 6 years, with a focus on marketing and retail management.</p> <p>- Expertise: Leveraging his marketing connections with major brands in the food industry, as well as multinational companies, Mr Anshul Batra ensures optimal occupancy within the mall, drawing on his extensive network to secure prominent tenants.</p> <p>- Local Influence: As a respected local resident, Mr. Anshul Batra's influence contributes to the mall's success by generating interest and support from the community, resulting in sustained footfall and patronage.</p> <p>- Event Coordination: His proficiency in event management enables the seamless organization of various functions and activities within the mall, creating a vibrant atmosphere and enticing visitors to plan their events at the venue.</p>
PAN No.	ETVPB33982C
Aadhar No.	590337984022
Email-id	batra@richfarmsagro.com
Mobile No.	9039256998
Net Worth	INR 614.50 Lakhs
Address	House No. 39 Phase-3, Sai Fortune Colony Itarsi, Naramadapuram MP

Combined Strengths:

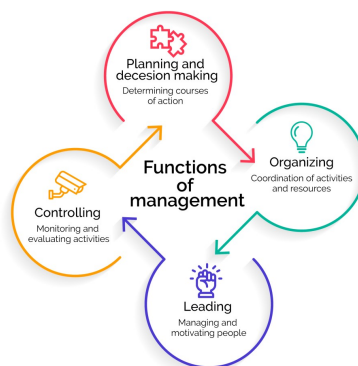
- With roots in the agro-based industry, both partners possess deep insights into market dynamics and consumer preferences, particularly in the food sector, which will drive tenant selection and enhance the mall's appeal.
- Their extensive marketing connections with major brands and multinational companies ensure maximum occupancy, contributing to the mall's profitability and success.
- As local residents and known personalities in Itarsi and Bhopal, Bhavna Batra and Anshul Batra have the influence and community support necessary to attract a steady flow of visitors and patrons to the mall.
- Their experience in organizing events and programs enhances the mall's offering, creating an immersive and engaging environment that encourages visitors to frequent the venue for various functions and activities.

The partners' unique strengths and capabilities, well positions them for success in the development and management of the mall project in Itarsi.

Details of Associate Concerns & Source of fund:

- 1) M/s Real Star Dal Mills & Global Agri Supplies
- 2) M/s Rich Farms Agro Exports
- 3) M/s Rice Kings Foodstuff & Beverages Trading LLC" based in Dubai

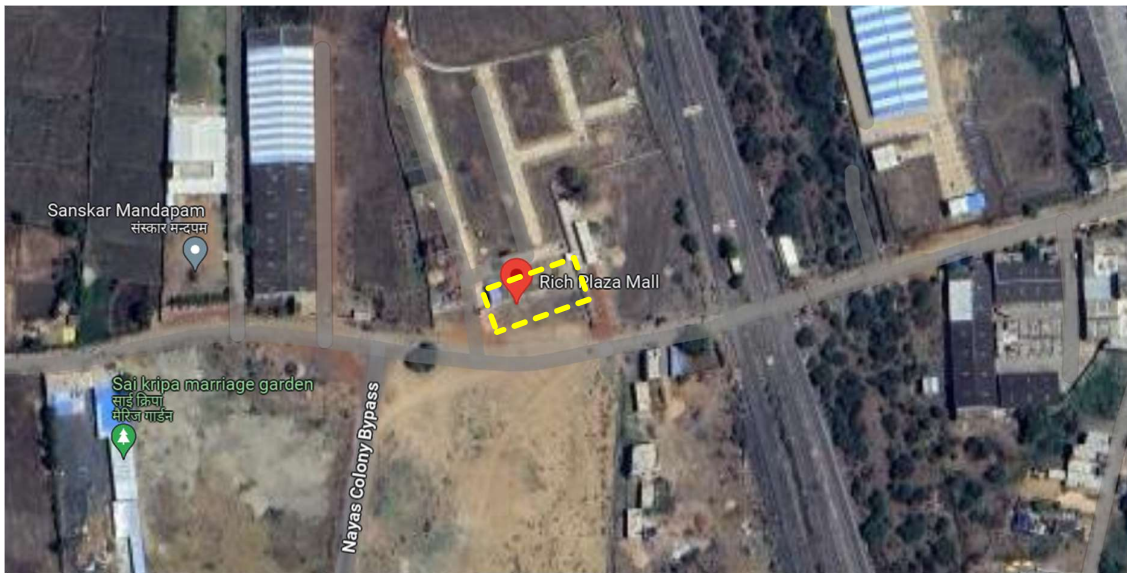
The partners are high net worth individuals with regular sources of income and have family basking for induction of require margin as Capital and Unsecured Loans for the project.



5. PROJECT LOCATION

The land earmarked for the proposed project is located in Sona-Savri an upcoming posh area of Itarsi accessible from nearby highway leading to the district Head Quarter, viz., Narmadapuram (Hoshangabad). The approximate coordinates of the project land are Longitude 22.628000, and Latitude 77.7695099.

A Google Locational map of the project site is given below:



It is evident from the Google map that the site is clear and construction has to be initiated.

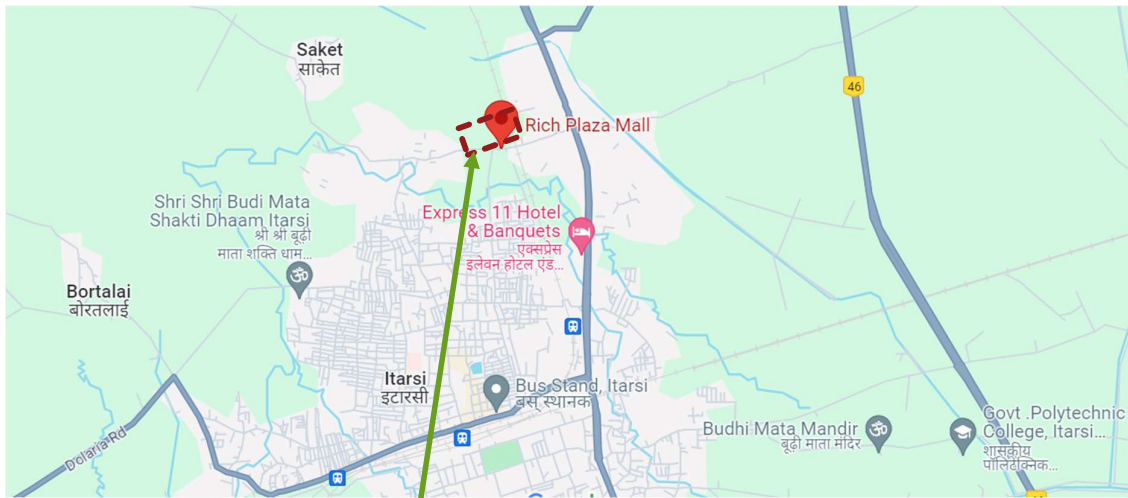
The following advantages are available with the location:

- Connectivity with old as well as new city- One road leading to Hoshangabad, another to railway station. The third road is leading to LKG Infra Grand Avenue Township.
- Easy access to bus stand and railway station(s)
- Centrally Located with reference to supply/transportation
- Availability of manpower
- High density population in catchment area
- Adequate parking provision

The project land details are as under: (*) Approval of project plan for mall construction to be obtained from local body (Gram Panchayat)

DEED	PLOT NO.	AREA	Unit
1	C-1	805	Sq ft
	C-2	926	Sq ft
2	C-3	1020	Sq ft
	C-4	1170	Sq ft
3	C-5	1229	Sq ft
4	C-6	1279	Sq ft
5	C-7	1180	Sq ft
6	17	840	Sq ft
	18	840	Sq ft
	19	840	Sq ft
7	20	840	Sq ft
	21	895	Sq ft
	22	895	Sq ft
8	23	840	Sq ft
TOTAL		13599	Sqft

Location of project land in the city map



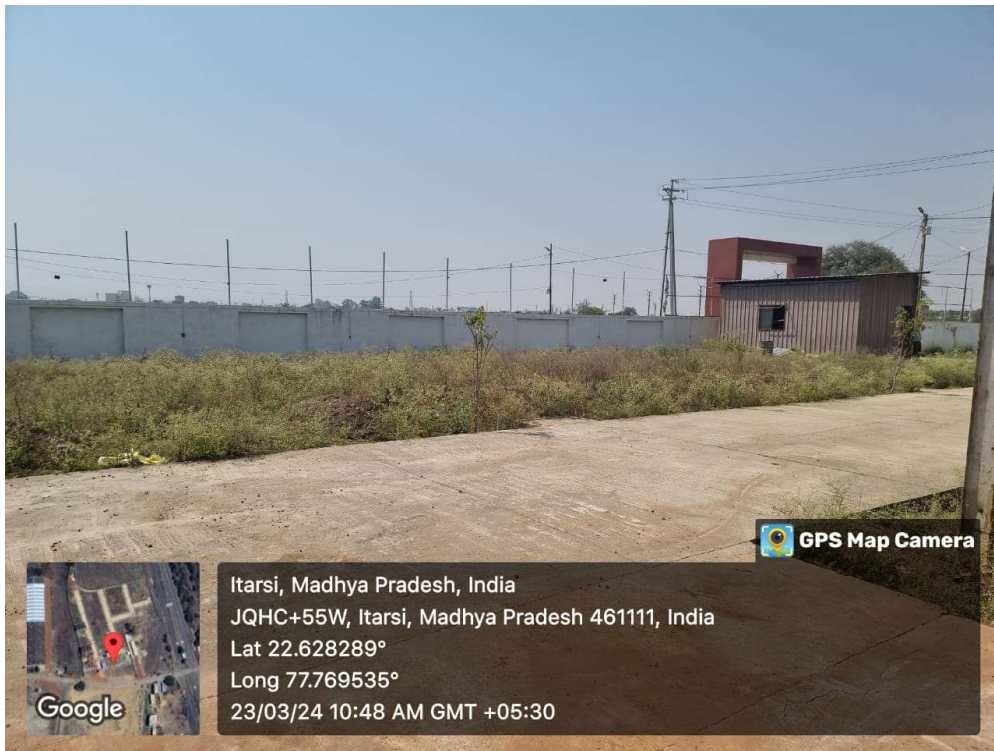
T&CP approved layout plan

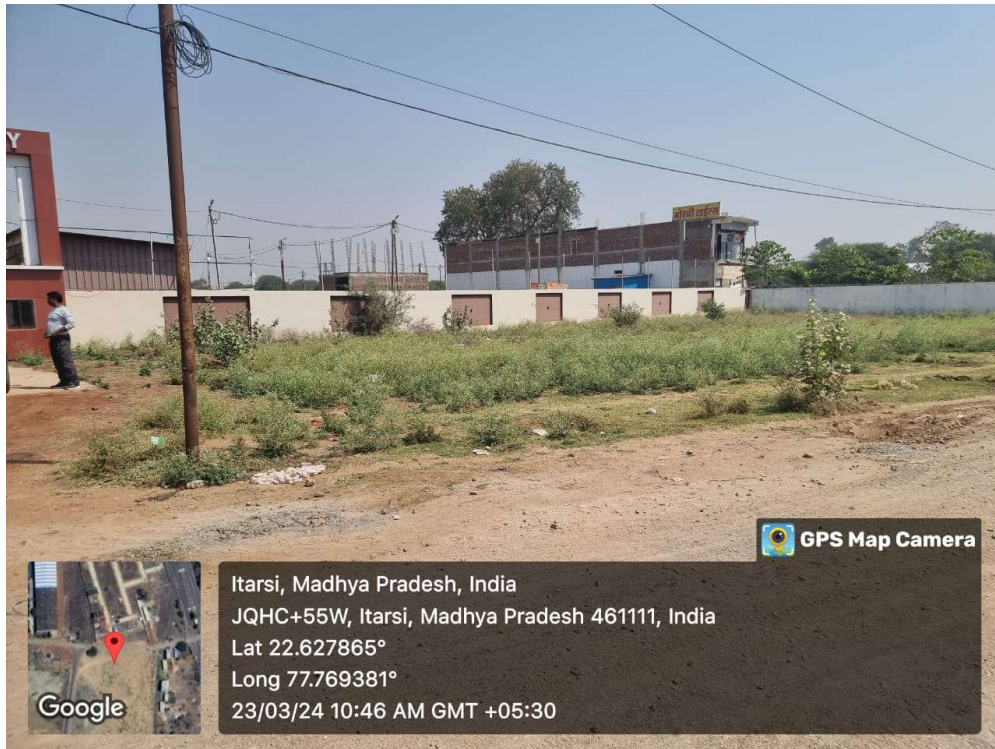


 Proposed site for Rich Plaza Mall, Sona-Savri, Itarsi

RECENT SITE PHOTOGRAPHS







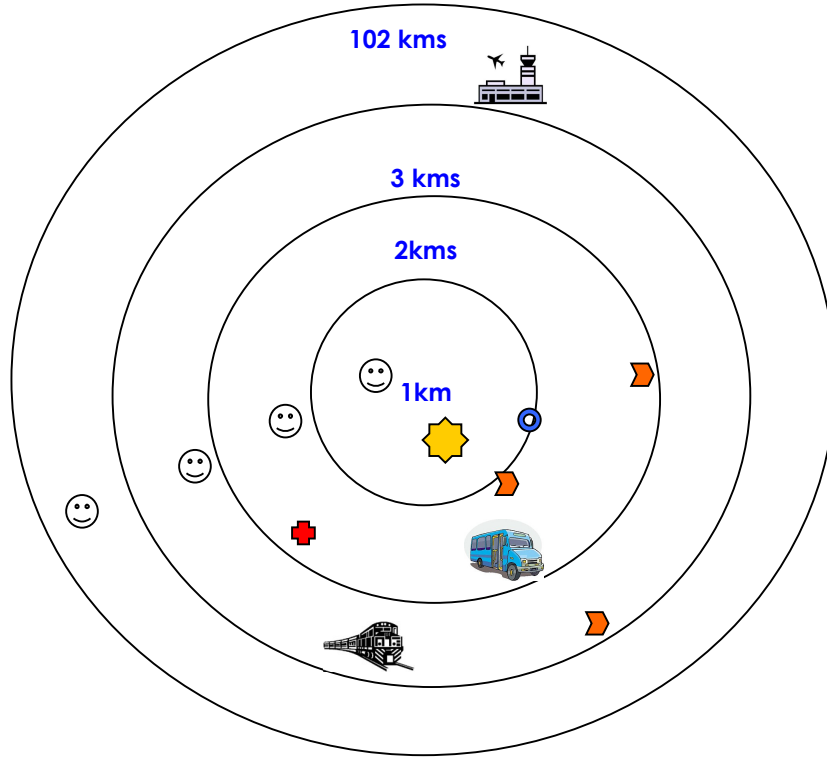
SITE CONDITIONS

As there is no physical progress at the project site a virtual site visit was conducted on 23 March 2024 using by our associate Mr Rakesh Jangalwa and following observations were made.







Observations:

1. The site is located in the city center and is suitable for the project.
2. The site is naturally levelled and clear from any obstruction, only a boundary wall between commercial and residential plots needs to be removed.
3. The project is located on a wide road connecting all the parts of the city offering good connectivity with all sides of the city.
4. The temporary power connection needs to be obtained for construction activities.
5. Water sources needs to be developed or water connection is required from local supply.

INDICATIVE DISTANCE TO MAJOR LANDMARKS FROM PROJECT SITE



LEGEND

	Proposed Rich Plaza Mall
	Hospitals
	Public Transport
	Restaurants
	Railway Station
	Bhopal Airport

NOTE ON UTILITIES

Power

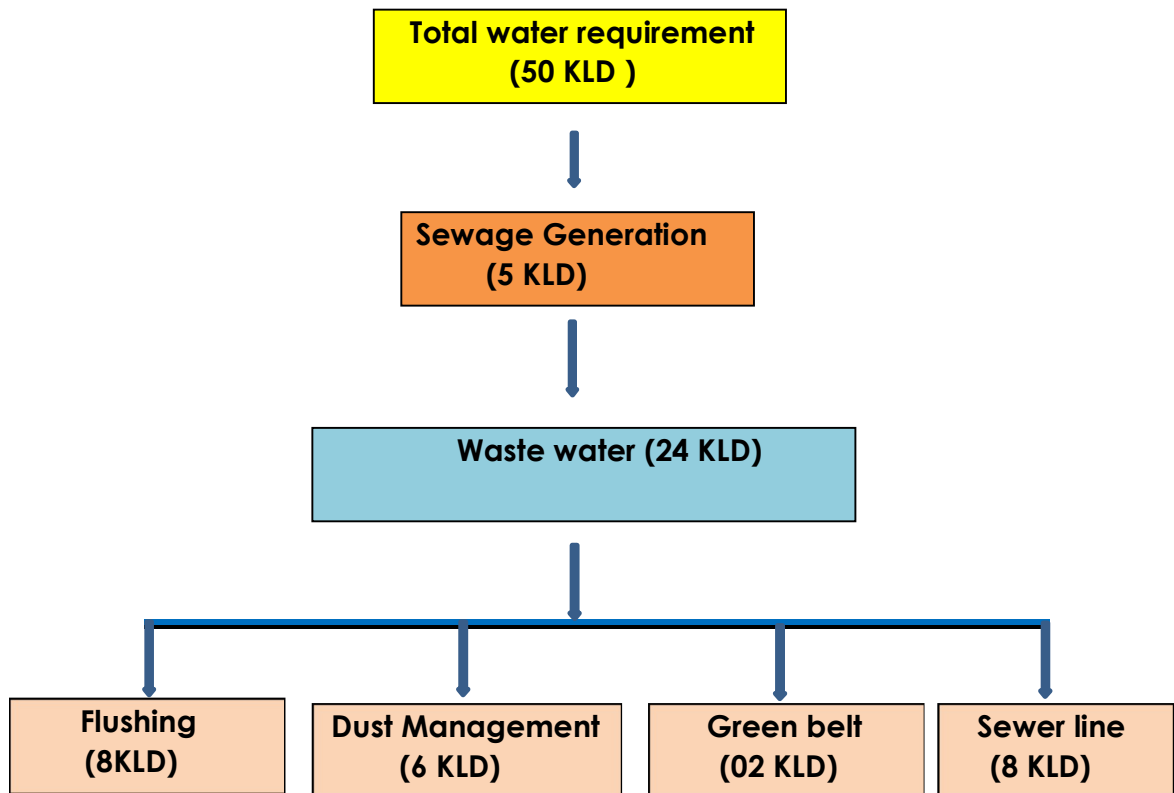
At present temporary power connection is to be taken at site the same shall be increased in future with desired load. Load Sanction from MPMKVCo. Ltd has to be obtained at the time of connection.

Backup Power

The project will need backup power and a DG Set of about 30-50% of total load is required for Lifts and Emergency Lighting.

Water

Total water demand is estimated to be 50 KLD. The fresh water requirement for the project is 25 KLD which will be met by Municipal Supply/Ground Water. Water balance of the proposed project is given in Figure below:



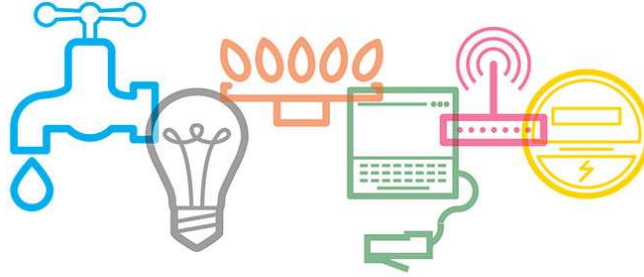
Total wastewater generated from the project will be 24 KLD. This will be disposed through the common infrastructure of the township.

Airconditioning

Provision for cost of the air conditioning has been made in the cost estimates for Rs 90 Lacs for 200 Tons @45000 per Ton that appears to be adequate at current market pricing.

Fire Fighting

Cost of fire fighting has been provided in the project. NOC from fire department is essential for the project at the time of COD.



6. PROJECT DETAILS & SITE VISIT

The project is envisaged as shopping mall-cum-multiplex over leasehold land @ Survey Plot Nos. C-1 to C-7 and 17 to 23, Shree Balaji Residency Township admeasuring 13599 Sq ft with the infrastructure as tabulated below.

A summary of floor wise facilities is tabulated below

Particulars	Phase-1	Phase-2
Diverted Land area	13599 Sqft	
Ground Coverage	12000 Sqft	
No. of Floors	1 Basement & G+2	3rd Floor & Rooftop
Built up area	40797 Sqft	13599 Sqft
Leasable Area	30000 sqft	10000 Sqft
		Roof top 10000 Sqft

The project is designed with the following facilities:

Floor wise proposed use	Phase-1	Phase-2
Basement	Parking	
Ground Floor	Hyper Mart, Restaurant & Shopping	-
First Floor	Lifestyle & Shops	-
Second Floor	Anchor, Shops, Food Court and Game Zone	-
Third Floor	-	Multiplex & Roof top area for events

A detailed business plan for each floor has been envisaged to ensure distribution of attraction and amenities in such a way that a uniform footfall is received in all the areas. This plan ensures a balanced allocation of space for shops and common areas, allowing for comfortable shopping and leisure experiences for visitors while maximizing the use of the available square footage.

Basement (Parking):

- Dedicated parking space for visitors and staff, with convenient access to the mall through elevators and escalators.
- Adequate signage and lighting for safe navigation.

Ground Floor:

- Hypermarket (1)
- Food Court (10)
- Restrooms and ATM (Common Area)
- Information Desk (Common Area)
- Escalators/Elevators (Common Area)

First Floor:

- Fashion Wear Stores (30)
- Lifestyle Shops (15)
- Rest Areas (Common Area)
- Escalators/Elevators (Common Area)

Second Floor:

- Electronics Stores (20)
- Luxury Furniture Shops (10)
- Other Luxury Shops (15)
- Rest Areas (Common Area)
- Escalators/Elevators (Common Area)

Third Floor: (Future Expansion)

- Multiplex Cinema (2)
- Terrace Garden (Common Area)
- Function Rooms (Common Area)
- Suite Rooms (Common Area)

- Business Conference Center (Common Area)
- Gym (Common Area)
- Rest Areas (Common Area)
- Escalators/Elevators (Common Area)

Shop Allocation:

- Ground Floor: 1 Hypermarket + 10 Food Court = 11 shops
- First Floor: 30 Fashion Wear + 15 Lifestyle = 45 shops
- Second Floor: 20 Electronics + 10 Luxury Furniture + 15 Other Luxury = 45 shops
- **Total shops on floors: 101 shops**

Allocation of Rentable Area (10,000 sq ft) on Each Floor:

- Ground Floor:

- Hypermarket: 4,000 sq ft
- Food Court: 3,000 sq ft (300 sq ft per stall)
- Shops -3000 sq ft

- First Floor:

- Fashion Wear Stores: 5,250 sq ft (175 sq ft per shop)
- Lifestyle Shops: 1,750 sq ft (117 sq ft per shop)
- Shops -3000 sq ft

- Second Floor:

- Electronics Stores: 3,500 sq ft (175 sq ft per shop)
- Luxury Furniture Shops: 1,750 sq ft (175 sq ft per shop)
- Other Luxury Shops: 1,750 sq ft (117 sq ft per shop)
- Shops -3000 sq ft

Common Area (Remaining 2000 sq ft) on Each Floor:

- Rest Areas

- Escalators/Elevators
- Additional seating areas
- Planters and decorative features

STATE-OF-THE ART INFRASTRUCTURE

- The entire facility is designed with modern infrastructure, escalators, lifts, air-conditioning and adequate parking facilities.

SHOPPING MALL COMMERCIAL AREA MIX...

- On the tenant mix front, the management strategy is to have types of stores that consumers will respond to. Anchor tenants that drive foot-fall are still the key, but the mall also has emphasis on a curated mix of smaller stores that add a sense of novelty to the mall offering. Additionally, the mall is making greater use of temporary, flexible spaces that can accommodate different stores over time. Pop up stores, showroom spaces and kiosks provide customers with a sense of the unexpected and give them a reason to treasure hunt. *(As explained by the management)*

THE MULTIPLEX & ROOFTOP EVENT AREA... (In Phase-2)

- With 2 Screen and about 400 total seats and rooftop area for events like marriage and business meetings.

THE DINING EXPERIENCE ...

- With fine dining restaurant and food court mall will be dining hotpot of the city.

ENTERTAINMENT...

- With More than 1000 sqft earmarked for Kids Zone and food courts the proposed mall will surely be the favored destination for the little ones. For the Youngster and the Party lovers the Mall also earmarks the space for Discotheque and club

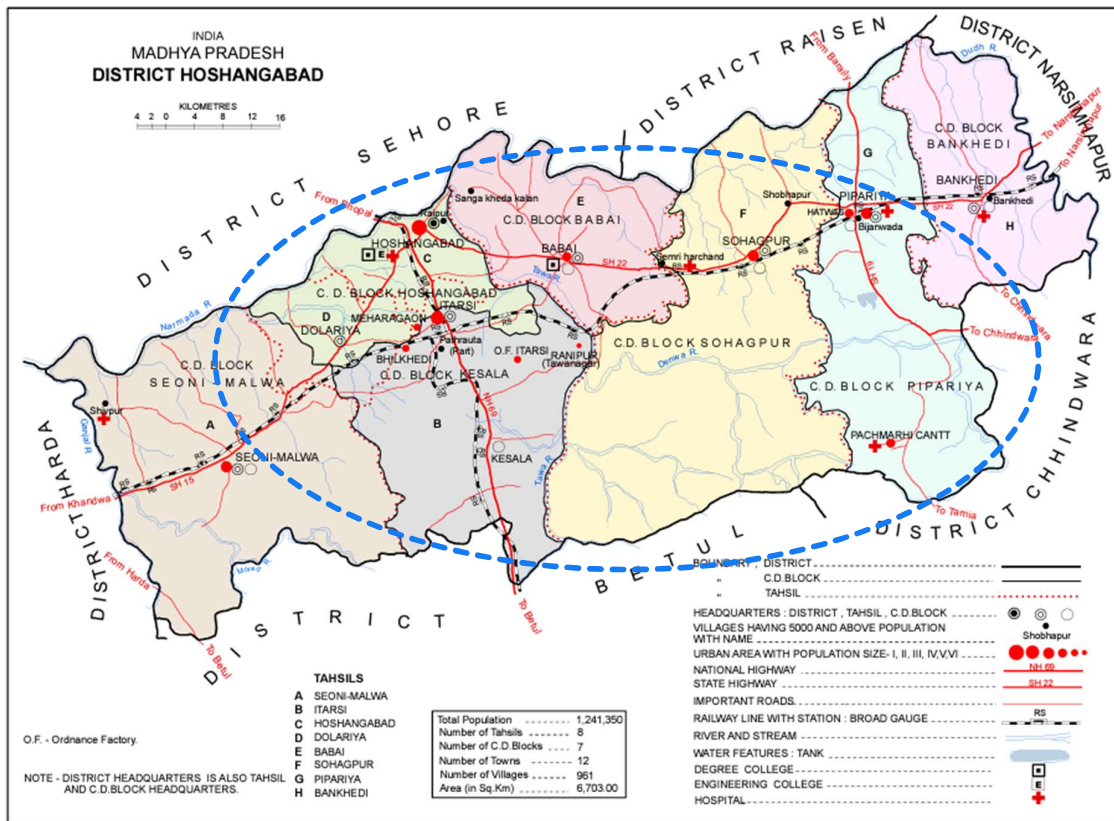
Rendered Image of Mall Elevation



7. CATCHMENT AREA

The project is located in Itarsi which is the largest railway junction in Central India, and a well-established industrial area and a trading hub and agriculture mandi is financial hub for Hoshangabad District and is very well connected with Hoshangabad, Betul, Sarni, Seoni Malwa, Budni, Babai, Sohagpur and other towns and villages.

The target catchment area is spread over a radius of 50 Kms East and West and 25 Kms North & South to cover a population of about 1 Million from different urban and rural profile with a core target population of 25% a mall will be able to sustain and meet its expected revenue.



8. PROFITABILITY ESTIMATES

The revenue from the developed mall is proposed to flow from lease, the present plan of the promoters is to lease the shopping area and share the revenue from lease from shops and minimum guaranteed lease + revenue share from anchor stores as per practice in the Mall Business.

Expected Revenue from Lease & Revenue Share for the first 5 Years:

Particulars	2025-26*	2026-27	2027-28	2028-29	2029-30
Occupancy in Months	6	12	12	12	12
Total Construction Area in Mall (in Sq Fts)	40,797	40,797	40,797	40,797	40,797
Lettable Area in Sq Fts (in Sq Fts)	30,000	30,000	30,000	30,000	30,000
Anchor Stores	12,000	12,000	12,000	12,000	12,000
Retail Stores	18,000	18,000	18,000	18,000	18,000
Occupancy Level % (Retail Stores)	80.00%	82.00%	84.00%	86.00%	88.00%
Occupancy in Sq Fts (Retail Stores)	14,400	14,760	15,120	15,480	15,840
Anchor Store MGR(Minimum Guaranteed Rent) Rs/Sqft/month	30	32	33	35	36
Anchor Store MGR (Rs Lacs)	22	45	48	50	53
Anchor Store Sales Rs Lacs/month	600	630	662	695	729
Revenue Share @ 5% of Anchor Sale	180	378	397	417	438
Average Retail Store Rent Rs/Sqft	80	84	88	93	97
Retail Store Rent Rs Lacs/annum	69	149	160	172	185
Total Rent & Revenue Share Realised	270.72	572.14	604.56	638.79	674.93

CAM (Common Area Maintenance) Rs/Sqft	20.00	21.00	22.00	23.00	25.00
Total CAM Receivable (Rs Lacs/annum)	31.68	67.44	71.60	75.84	83.52
Event Income	6.00	12.00	13.20	14.52	15.97
Advertising Income	7.00	15.00	16.50	18.15	19.97
Parking Income	21.60	43.20	43.20	43.20	43.20
Total Other Income (Rs Lacs)	66.28	137.64	144.50	151.71	162.66

* 6 Months operations, Occupancy 80%, effective Capacity Utilisation is 40%

Based on the above profitability estimates a sensitivity analysis has been done with the following parameters:

- Increase in RoI by 1%
- Decrease in revenue streams (both sales & lease) by 5%
- Increase in operational expenses by 5%

The financial model has been able to sustain based on cumulative cashflow and average DSCR.

Basis of Revenue

The sales realization and rentals are based on futuristic market realization as sales and leasing start in the year 2025-26 and are slightly above the current market rates as the commercial rental market has started showing signs of improvement and also the project has unique locational advantage and first mover advantage that has been taken on account while accepting this assessment.



9. COMMERCIAL ESTATE INDUSTRY OUTLOOK



The commercial estate sector is one of the most globally recognized sectors. Commercial estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction

industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the commercial estate companies.

Road Ahead

The future of commercial real estate seems bright: The demand for flexible and co-working spaces is likely to triple in the next three years, fuelled by start-ups as well as big corporates. In the coming time, it is expected that the footprint of e-commerce will expand in a big way. According to industry sources, commercial realty markets maintained their momentum of growth through the end of last year, as net absorption continued at a high level across major property types. Demand exceeded supply growth for office, retail and serviced apartment markets. Also, high street retail along with malls is expected to show grow in a big way in times to come.

Looking at the above factors, it can be said that the retail sector in India is going in one direction, that is upward. And this current trend will see more and more people investing in the sector in India. The industry is upbeat with the change and hopes to make the most of this trend. It can be concluded that the segment is undeniably poised to become a game changer of the commercial estate sector in the coming years.

Local & Regional Commercial Market Scenario

Itarsi is located on the Jabalpur – Bhopal Train route, within 100 kms of Bhopal and 300 kms from Jabalpur; the town has a commercial & logistic significance. The place has a great significance due to a much-frequented transit visitors via this route. Due to the commercial estate boom observed in Indore & Bhopal, the town has been Charged up with commercial estate activity ever since. It is proposed to have dry-port in Itarsi being developed for export business.



The town is attracting industrial investments and entrepreneurs are migrating to Itarsi to set up new ventures. In addition to this floating population is increasing for business meetings as well as religious tourism.

Over the past couple of years the area has seen an exponential growth in the commercial estate sector especially in the Commercial segment. This can be attributed to the following facts: Firstly, the government has given a final shape to the Master Plan after a lot of refinement, thus showing active involvement in the overall development of the area.

Secondly, the town has been designated as one of the major hubs for agro based industry of Madhya Pradesh. The Govt. mission focuses on:

(i)improving and augmenting the economic and social infrastructure of city; (ii)ensuring basic services to the urban poor including security of tenure at affordable prices; (iii) initiating wide ranging urban sector reforms whose primary aim is to eliminate legal, institutional and financial constraints that have impeded investment in urban infrastructure and services; and (iv) strengthening municipal Governments and their functioning Thirdly, with the support of the local governing bodies, the commercial Estate developers have realized the need and potential of commercial estate in the area.

Over the past Couple of years, many commercial project have been delivered and some are in advanced stages of construction.

Commercial Estate Scenario Currently, the city of Itarsi has not witnessed major growth in structured commercial estate development. However, the situation

is changing rapidly with considerable development Narmadapuram is a known to be a historical city located on the banks of Narmada River. The city is named after Narmadapuram Narmada River. Earlier it was named Narmadapuram after the first ruler of Malwa, Hoshang Shah. Narmadapuram district was part of the Nerbudda (Narmada) Division of the Central Provinces and Berar, which became the state of Madhya Bharat (later Madhya Pradesh) after India's independence in 1947. The city is famous for its beautiful ghats along the banks of the Narmada river, Sethani ghat is a major attraction. There are colourful celebrations in the city on Narmada Jayanti.

During celebrations, the CM announced the efforts to rename the town. A Satsang Bhavan on the ghat has regular visits by Hindu saints who hold regular religious discourses on Ramcharitmanas and Geeta. Over past couple of years the city has witnessed a surge in development of the commercial estate sector in the area. This is attributed to the fact that the government has been focusing on uplifting the standard of living of the residents and have offered constant supportive to developers in executing commercial estate projects.

Itarsi is a city and municipality in Narmadapuram in Madhya Pradesh, India. Itarsi is a key hub for agricultural goods and is the biggest railway junction in Madhya Pradesh. Rail services from all 4 major metropolitan cities of India namely Mumbai to Kolkata and Delhi to Chennai pass through Itarsi. Itarsi has large number of agro-based industries and warehouses . Itarsi got its name by "eeta(eent)", (literally means brick in Hindi) and "rassi", (literally means rope in Hindi). Bricks and ropes had been made earlier in itarsi. It has an Ordnance Factory The firm came into being recently and has achieved impressive growth while eliciting a lot of support from the community. The firm has focused largely on diversification to fulfill the demand in the various business sectors.

Itarsi is a sub district in the Narmadapuram district, in the state of Madhya Pradesh. The total population in Itarsi sub district is 240,719 as per the survey of census during 2011 by Indian Government. Of this about 123,325 people are living in the urban (towns and cities) area and about 117,394 are living in villages (rural areas) There are 49,297 households in this sub district. There are 124,898 males (52%) and 115,821 females (48%). As of the 2011 Census of India,[6] Itarsi had a population of 114,495. Males constitute 52% of the population and females 48%. Itarsi has an average literacy rate of 75%, higher than the national average of 59.5%: male literacy is 81% and female literacy is 69%. In Itarsi, 13% of the population is under 6 years of age. Itarsi comes under

"Constituents of Urban Agglomerations of Madhya Pradesh" includes Itarsi (M), Pathrauta (part) (OG), Bhilakhedi (CT) and Meharagaon (CT).

Location & Infrastructure Advantage

The location advantage of Rich Plaza Mall may well be signified from the fact that there are no other such "Shopping Mall" situated in the nearby Locality. The project is coming in the well developed locality closely



connected with the National Highway & Railway Station, Bus Stand, City center etc. It will give the positive advantage like goodwill to the project.

The total area of Land is 13599 Sq Fts.

The Commercial Plans are approved by the

Gram Panchayat and Town & Country Planning Department. The space is enough for Project. The Land is owned by family member of the promoters of the firm. The Project will be having all the infrastructure facilities and will be able to serve its clients better. The firm plans to capture a good market and will create a good reputation in its trade. The promoter is very well versed with all the infrastructure requirements of this type of Project and have extensive contacts in the Local market as well as some other elite corporate concern. The promoters have conducted the detailed market survey and found that it is a good to set up the Commercial project at this area, as the area is developing at a fast pace, The Market potential of the area can well be signified by the location advantage as the other market rivals are not very close to this localities, Further it's distance from the Busstand and railway station is not even 5 Km. The nearby localities of the proposed project are in the developing stage. With the greatest pace of development, the requirement of Commercial establishment in the region has increased substantially. With the increase in standard of living of people, considerable increase in the requirement Commercial shops/showrooms are expected.

The project is being set up at the heart of the Itarsi city which is well connected with all major centers in the country, through efficient and convenient rail,

road and other transportation facilities. The merits of the site with respect to different factors are described as under:

1) Proximity to raw material sources: Building Construction Material is available in abundance in Itarsi and nearby region. So, the requisite Raw material is available for the Proposed project for major part of the year.

2) Proximity to marketing point: The project has a close proximity from the Market, Railway Station, Bus Stand, Schools, College & Hospitals.





3) Availability of utility facilities: The major utility viz: water shall be available from the bore wells to be dug at the site. The Water from Municipal Corporation shall also be available. All the necessary utilities are available in the area.

4) Availability of infrastructural facilities: Itarsi has well developed infrastructural facilities in view of steady industrialisation of the area. However, all the required infrastructural facilities are abundantly available at a distance of 3 kms from the proposed site. Labour: -Semi-skilled and unskilled labour is abundantly available in Itarsi and nearby village and towns. Adequate technical help & Training is available from the Architect firm as and when required.

5) Management: The Firm is having its office at Itarsi to enable close control and management of the Project. Smt. Batra having obtained technical expertise from about operation and management of project will be primarily responsible for the overall management of Company. The Itarsi city has the glorious past and a bright future for the economic and social development, and the contribution of the Commercial Estate industry in this growth is of prime importance. Since, Itarsi is surrounded by the lots of Villages the industry is facing robust growth. The Madhya Pradesh government is also launching new project and policies for support of Commercial Estate Sector in the state.



10. SWOT ANALYSIS

 S STRENGTHS	 W WEAKNESSES	 O OPPORTUNITIES	 T THREATS
<p>Developer Group has a low debt exposure and excellent repayment record.</p>	<p>Non-exposure to mall business.</p> <p>Mitigation:</p> <p>The promoters have international exposure and connections with brand owners will help them.</p> <p>A team of professionals will be hired as already budgeted in financial projections.</p>	<p>No Similar Proposed Project in the region.</p>	<p>Sensitive to Pandemic Impact</p> <p>Mitigation:</p> <p>Such events are rare, say once in 50 Years.</p>
<p>Exposure to international Market gives them exposure and far sight for business</p>		<p>Emerging Market Segment in Smaller Cities.</p>	<p>Need of trained staff from local area</p> <p>Mitigation:</p> <p>Staff will be trained through professional appointed for mall management by us through inhouse training.</p>

		Huge Potential for the concept.	<p>Competition by large players targeting tier 3 or 4 towns</p> <p>Mitigation:</p> <p>These brands focus on discount through own brand and does not offer shopping experience and entertainment.</p>
		Increase in disposable incomes	
		Boom in Entertainment and Hospitality Sector.	
		Demand for commercial spaces and start-up/incubation centers.	
		Demand far exceeds Supply.	

11. IMPLEMENTATION SCHEDULE

The implementation period stipulated as 18 months from day zero. It is expected that the project will achieve financial closure in April and start construction immediately as they are fully ready to commence the work.



A period of 18 months appears to be adequate depending on financial closure for such development and construction and accordingly the COD is assumed in the middle of FY 2025-26 with mall becoming operational in October 2025.

With all the initial permissions in place and site cleared the same appears to be reasonable and achievable.

A detailed monthwise implementation schedule is given along with the financial working.

12. PERMISSIONS & CLEARANCES

The following milestones have been achieved so far...



- Firm is already registered
- Land has been acquired (Family Owned)
- NOC from Land owner obtained
- PMC has been appointed
- Project planning completed
- Civil drawings and estimates finalized
- Quotations have been obtained for turnkey execution
- Implementation Schedule has been finalized
- Market size has been estimated
- Promoters margin is ready
- Anchor stores have been identified and they will be targeted once the civil structure is ready

Clearances required from Government bodies for setting up of the unit and present status of the project.

Registration, Permissions & Compliances

Particular	Status	Reference/ Remarks
Date of Formation/Amendment	<input checked="" type="checkbox"/>	5th March 2024 Amendment 18 th March 2024
PAN	<input checked="" type="checkbox"/>	ABIFR8244E
GST Registration	<input checked="" type="checkbox"/>	23ABIFR8244E1Z7
MSME Registration	<input checked="" type="checkbox"/>	21 March 2024
PF Registration	Presently NA	NA
ESI Registration	Presently NA	NA
Environment Clearance		NA
PCB Clearance for establishment of unit (Form 1A)		NA
T&CP Layout approval	<input checked="" type="checkbox"/>	Approval obtained for Shree Balaji Residency is applicable
Local Body permission	<input checked="" type="checkbox"/>	Gram Panchayat to be obtained
Power Connection		Temp Connection to be applied
Water Connection or source		To be obtained in due course
NOC from Fire Dept	-	NOC To be obtained on completion
Completion Certificate from Local Body		To be obtained on completion
NOC for Construction on Plots and approval of plan		Approval from Gram Panchayat to be obtained before construction
Lease or MoU with Landowner		To be executed as per legal advisor of the bank

13. COST OF THE PROJERCT & MEANS OF FINANCE

The present proposal is for financing of development and construction of mall-cum-multiplex. **The table below shows the estimate of the cost of the project and means of finance.**

Particulars	Total Rs Lacs	Total Rs Lacs
COST		
Land (Leased)		0.00
Building, Civil & Site Development		2039.85
Utilities		240.60
AMC & Power Backup		35.00
Pre-operative expenses		65.00
Interest During Construction		208.20
Working Capital		10.00
Total		2598.65
MEANS		
<u>Promoters Contributions</u>		768.65
Capital	600.00	
Unsecured Loan	168.65	
Security Deposits		30.00
Term Loan		1800.00
Total		2598.65

Debt : [Equity+USL]	2.34 :1
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The cost of the project is based on market estimates and turnkey quotation collected by the firm. The cost of construction and related utilities is in line with market pricing. The prices may slightly vary based on the brands used, however the promoter's group have long relationship with the Architect and Turnkey Contractor and had a good experience regarding costing and execution both, however any cost overrun or contingency expenses will be met by the promoters through own sources.

Repayment Schedule

The moratorium period and schedule of repayment has been decided as a total of 120 months as under:

TL	Rs Lacs	1800.00
ROI	% PA	10%
Construction	Months	18
Moratorium after DCCO	Months	0
Repayment	Months	102
Total	Months	120

The projected financials have considered based on the cost estimates and financial working submitted by the firm.

Cost estimates

The cost of the project has been assessed based on cost estimates prepared by a qualified architect. The same has been crossed checked with current market pricing by certified valuer.

The construction cost estimates include the following:

1. Site development cost
2. Cost of structure & civil work
3. Cost of escalators and lifts
4. Cost of air-conditioning equipment
5. Cost of fire-fighting and safety equipment
6. Cost of water supply system
7. Cost of electrical lines and equipment
8. Cost of façade and elevation

Financial Projections

The proposed term funding is under construction finance with specified end use and repayment cash-flow is based on income from leasing. In this case the end use of fund is development and construction of mall and repayment source is through lease / revenue share from the mall.

Scheme of Finance

Revised Definition of MSME – Addition of Retail and Wholesale Trade

Based on current criteria, a shopping mall with an investment under ₹50 crores is classified as an MSME.

The construction of proposed Shopping Mall qualifies as an *MSME (Micro, Small & Medium Enterprises), as the investment in **plant and machinery or equipment* which is a crucial factor on basis of which it is classified is as follows:-

1. *Investment Criteria*:

- *Micro Enterprises*: Investment in plant and machinery or equipment does not exceed ₹1 crore.

- *Small Enterprises*: Investment in plant and machinery or equipment does not exceed ₹10 crores.

- *Medium Enterprises*: Investment in plant and machinery or equipment does not exceed ₹50 crores.

2. *Calculation of Investment*:

- The investment is based on the *net investment* (depreciated cost) in plant and machinery or equipment.

- For existing enterprises, it's determined with reference to *ITRs filed*.

- For new enterprises without prior ITRs, the net investment is the *original cost* or purchase invoice value.

3. *Turnover Criteria*:

- Turnover limits are also considered for classification.

4. * Plant and Equipment in Malls*:

- *Elevators and Escalators*

- *HVAC Systems (Heating, Ventilation, and Air Conditioning) *

- *Lighting Fixtures*

- *Fire Safety Equipment*

- *Security Systems (CCTV, Access Control)*

- *Generators*
- *Furniture and Fixtures*
- *Signage and Display Units*

With regards to Turnover as revenue considered from the mall that would be operational is mainly from leasing and other maintenance charges and together with proposed income from events ,parking etc would be falling within the eligible Turnover criteria for the desired clarification of the proposed size of mall to Qualify as an MSME project.

Definition and Classification



Ministry of Micro, Small, and Medium Enterprise (MSME) has announced a revised definition for MSMEs with the inclusion of retail and wholesale trades as MSMEs. With the revised guidelines the retail and wholesale trades will now be allowed to register on Udyam Registration Portal.

The existing definition of MSMEs includes manufacturing and service enterprises whereas retail and wholesale trade was not classified under the same. Now under the revised guidelines, retail and wholesale trade will also get the benefit of priority sector lending under the Reserve Bank of India (RBI) guidelines.

Priority Sector Lending Benefit for Retail and Wholesale Trade

Retail and wholesale traders have been facing a severe liquidity crunch after sales were hit by the Covid-19 lockdowns. Considering this, MSME has issued the order to include retail and wholesale trade as MSME and extending to them the benefit of priority sector lending under RBI guidelines. Hence, the Reserve Bank of India (RBI) on July 07, 2021, has notified the new definition of micro, small and medium enterprises (MSMEs) by adding retail and wholesale trade to this category. The revised guidelines will benefit 2.5 Cr Retail and Wholesale Traders.

Other Benefits of adding Retail and Wholesale Trade under MSME

The benefit of adding Retail and Wholesale Trade in the MSME definition is as follows:

- The revised guidelines will benefit 2.5 crore retail and wholesale traders.
- The revised definition of MSME will help Retail and Wholesale Trade by giving better finance options for businesses that want to get structured.
- It will give retail MSMEs the support they need to survive, revive and thrive.
- The Covid pandemic-affected traders will now be able to restore their business by obtaining finances from banks, which was earlier denied to them.
- Besides tax concessions, Udyam registered entities also have access to cheaper credit and ease in getting various business-related approvals.
- Retail and Wholesale Trade can now be eligible to get loans from banks and financial institutions.
- Retail and Wholesale traders will now be eligible for several government schemes.

Udyam Registration for Retail and Wholesale Trade

Ministry of Micro, Small and Medium Enterprises vide Office Memorandum (OM) No. 5/2(2)/2021-E/P & G/Policy dated July 2, 2021, has decided to include Retail and Wholesale trade as MSMEs for the limited purpose of Priority Sector Lending and they would be allowed to be registered on Udyam Registration Portal for the following NIC Codes and activities mentioned against them:

NIC Codes	Retail and Wholesale Trade
45	Wholesale and retail trade and repair of motor vehicles and motorcycles
46	Wholesale trade except for motor vehicles and motorcycles
47	Retail trade except for motor vehicles and motorcycles

14. FINANCIAL PROJECTIONS & ASSUMPTIONS

The projections are based on the following assumptions: -

Sales

The revenues are based on the consideration that the location is in the city center which will attract foot fall and no similar project which can provide the ambiance and vision as provided by the project. Further the market rate has also been verified by ongoing projects in the city and a commercial complex with no centralized air conditioning or multiplex has been assessed to ascertain the prevailing market price considering:

- The project location
- Project planning
- The cyclical trend in commercial estate industry which will start showing correction for 2022 and will remain for a decade.
- No similar or upcoming project in the city with proposed amenities.

The revenue estimates seem reasonable.

Comments on Cost Components

Cost of power and maintenance has been taken on current market pricing.

Overheads, Salary and other Expenses Cost has been taken on current prices.

Depreciation: Depreciation has been taken on WDV rates as per Income Tax Act.

Income Tax: Income Tax has been calculated on rates as per Income Tax Act.

Interest Rates: Interest on Term Loan has been taken @ 10% per annum on reducing balance.

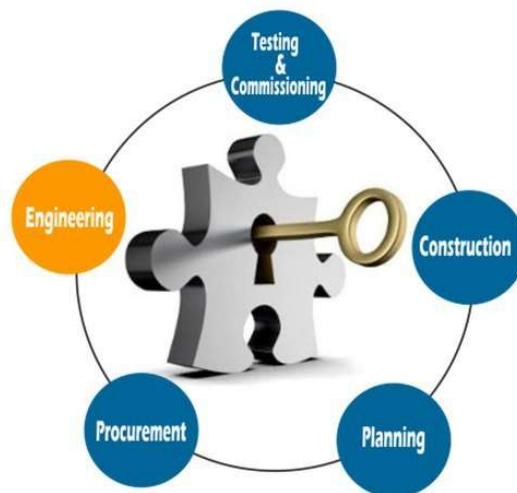
THE PROJECTED FINANCIAL STATEMENTS

S.N.	Particulars
1	Cost of the project and means of finance
2	Project Implementation Cash flow
3	Term Loan Repayment Schedule
4	Projected Profitability & Cash flow statement
5	Projected Balance Sheet
6	Calculation of DSCR
7	Sensitivity-1 – Increase in Rate of Interest (+1%)
	Sensitivity-2 – Reduction in Sales/lease Revenue (-5%)
	Sensitivity-3 – Increase in expenses (+5%)

15. ARCHITECTS & PMC PROFILE

The firm has entered into a turnkey contract with Ar Vikesh Agrawal of Itarsi. In addition to civil cost estimates the fixtures, escalators, lifts, utilities etc. are also part of EPC understanding and separate quotes for these items have not been collected. The promoter group has engaged him for their earlier projects and found his work and cost satisfactory. **(Profile enclosed as Annexure 1)**

We have cross checked the cost of civil construction for such projects and rates of items based on the size of the project and they are in line with market pricing.



In addition to this Mr Agrawal has provided his credentials and based on the list of projects executed by him and first hand experience of the promoters they have decided to give turnkey contract to Mr Vikesh Agrawal. Further to this the reasoning submitted by the promoters for appointment of EPC agency is reproduced below:

“Reason for Entrusting Mall construction Project Vendor (as sole vendor, contractor & consultants)”

We have selected and Finalized with Mr. Vikesh Agrawal as our Turnkey Project Vendor for our entire Mall project, in the pursuit of ensuring the successful development and execution of our proposed mall construction project in Itarsi, we have meticulously evaluated various factors critical to its realization. Among these considerations, the appointment of a competent and reliable Turnkey Project Vendor has emerged as paramount.

After careful assessment and deliberation, we have chosen Mr. Vikesh Agrawal as the Turnkey Project Vendor for this venture. This decision is grounded in several compelling reasons, each of which underscores Mr. Agrawal's suitability and capability to effectively manage and deliver this project:

1. ***Profound Expertise and Experience:** * Mr. Vikesh Agrawal brings to the table a wealth of expertise and experience in civil construction, infrastructure development, and project management. With a proven track record of successfully executing complex projects across various domains, including commercial developments, Mr. Agrawal's extensive knowledge and skills make him an ideal candidate for overseeing our mall construction endeavor.
2. ***Comprehensive Turnkey Solution:** * As a Turnkey Project Vendor, Mr. Agrawal offers a comprehensive solution that encompasses every aspect of the project, from initial planning and design to final execution and handover. His ability to seamlessly integrate all components of the project ensures efficiency, coherence, and accountability throughout the construction process.
3. ***Single Point of Contact:** * By entrusting Mr. Agrawal with the role of Turnkey Project Vendor, we establish a single point of contact for all project-related matters. This streamlined communication channel

facilitates smoother coordination, quicker decision-making, and enhanced project oversight, thereby minimizing delays and optimizing efficiency.

4. *Cost-Effectiveness and Quality Assurance: z* Mr. Agrawal's established network of suppliers, subcontractors, and industry contacts enables him to procure materials and services at competitive rates without compromising on quality. By centralizing procurement under his purview, we can achieve cost-effectiveness while upholding the highest standards of construction excellence.

5. *Risk Mitigation: * With Mr. Agrawal assuming overall responsibility for the project, we mitigate potential risks associated with subcontractor management, coordination challenges, and project delays. His hands-on approach, coupled with diligent risk assessment and mitigation strategies, instills confidence in the project's timely delivery and successful outcome.

In light of the above considerations, we are confident that Mr. Vikesh Agrawal's appointment as the Turnkey Project Vendor aligns seamlessly with our project objectives and requirements. His proven capabilities, commitment to excellence, and holistic approach to project management make him the ideal partner for realizing our vision of a state-of-the-art mall in Itarsi.

Therefore, we have opted and approved Mr. Vikesh Agrawal as the designated Turnkey Project Vendor for this endeavor. We are confident that his involvement will not only ensure the successful execution of the project but also maximize its long-term viability and profitability."

16. CONCLUSION & RECOMMENDATION

Rich Plaza Mall Infratech, is an SPV firm that has entered in development and construction understanding with landowner for construction of mall-cum-multiplex at Itarsi.

After the COD the developer intends to lease the shopping area and as regards multiplex, food court and lifestyle zoners it may continue to enjoy its share of the benefits of the lease and revenue share.

The company is developing the facility in Itarsi with built-up area of about 40797 sqft and leasable area of about 30000 Sqft. In the first phase.

The report has been prepared based on the inputs provided by promoters and information available in public domain.

Based on the forgoing and subject to the concern and threats enumerated under SWOT analysis, risk analysis and sensitivity analysis, the proposed project of the company is viewed as technically feasible and financially viable.

The following conclusions are drawn keeping the above into consideration Recommendations are project specific and are the best after analyzing the project in detail:

- Compared to other commercial estate sector, construction and management of mall is more sensitive to day-to-day management.
- There are no major incentives available for such projects that are general to MSME projects. However as these incentives, if available are back ended, hence not considered.
- For meeting the project time-line, especially in view of the optimized implementation schedule, a consistent cashflow is required and therefore timely induction of loan funds is most essential.

In view of the above, it may be concluded that the project is technically feasible and financially viable and it is recommended that firm should develop and construct a shopping mall at Itarsi.

Bhopal

27 March 2023

Rohit Sharma
Proprietor

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17. VOTE OF THANKS

We are thankful to the officials and consultants of M/s Rich Plaza Mall Infratech for providing the data, providing clarifications and information to our queries and also providing us help in visit their project site.

We are also thankful to the officials of Bank of Maharashtra, Bhopal for entrusting us with responsibility to prepare this TEV Report.

