

**April 20, 2015**

Instrument	Amount (Rs. Crore)	Rating
Secured Redeemable Non-Convertible Debentures	150.00	SMERA C (Reaffirmed)

SMERA has reaffirmed the rating of '**SMERA C**' (read as **SMERA C**) on the Rs.150.00 crore Secured Redeemable Non-Convertible Debentures of Marvel Zeta Developers Private Limited (MZDPL). The rating remains constrained by the company's exposure to project execution risk amidst intense competition in the luxury real estate segment. The rating is also constrained by the company's weak financial risk profile. The aforementioned weaknesses are partially offset by the extensive experience of the company's management.

MZDPL is part of the Pune-based Marvel Group, which is engaged in development of premium real estate properties. MZDPL is currently undertaking development of two projects viz. 'Marvel Izara,' a residential project in Undri, with total saleable area of 1.55 million square feet; and 'Marvel Piazza', a residential-cum-commercial project in Viman Nagar, with total saleable area of 0.71 million square feet. The projects are under joint development agreements with landowners. The company has secured the requisite pre-construction approvals for both the projects. MZDPL is exposed to significant project execution risk as the construction work is at the nascent stage. The company has incurred a small portion of the project cost (~13 per cent of the project cost of Marvel Izara and ~8 per cent of the project cost of Marvel Piazza) as on February 28, 2015. SMERA believes MZDPL's financial profile may deteriorate in case of delays in project execution.

MZDPL faces intense competition in Pune's real estate market. The company is also susceptible to the current slowdown in the real estate sector. MZDPL's weak financial profile is marked by negative net worth of Rs.7.98 crore (provisional) as on February 28, 2015.

MZDPL's NCD issue (of Rs.150.00 crore) has been fully subscribed. The proceeds have been utilized towards construction cost and repayment of optionally convertible debentures (of Rs.27.73 crore).

MZDPL is poised to benefit from its experienced management. The Marvel Group is a well-established player in Pune's real estate market. The promoters of the company have around 10 years of experience in the real estate sector.

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SMERA RATINGS LIMITED

## Marvel Zeta Developers Private Limited (MZDPL)

*Rating  
Rationale*

### About the company

MZDPL is a special purpose vehicle of Marvel Landmarks Private Limited, which is a part of the Pune-based Marvel Group. MZDPL was incorporated in 2010. The company is undertaking development of two luxury residential projects in Pune. The overall operations of the company are managed by Mr. Vishwajeet S. Jhavar (CEO of the Marvel Group).

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