# Savannah Smart City Limited

**1 July 2026**

**Ratings**

| Facilities/Instruments | Amount (MUR Million) | Rating[1] | Rating Action |
|---|---|---|---|
| **Term Loan** | **137** | **CARE MAU A-; Stable** | Reaffirmed |
| **Proposed Term Loan** | **163** | **CARE MAU A-; Stable** | |
| **Overdraft Facility** | **150** | **CARE MAU A2** | |
| **Total** | **450** | | |

## Rationale and key rating drivers

The reaffirmation of the ratings assigned to Savannah Smart City Limited's (Savannah) bank facilities reflects the strength of its experienced promoter-the ER Group, which is one of the largest and well-established conglomerates in Mauritius. The rating considers the project's strategic location and integrated infrastructure, positioning it as a differentiated real estate offering. Additional comfort is derived from the progress of the Les Sentiers de Gros Bois project and the availability of a substantial land bank, which provides the company scalability, operational flexibility, and a competitive edge in future developments.

However, the rating is constrained by the company's exposure to macroeconomic conditions and the inherent cyclicality of the real estate sector concerning demand and pricing. The rating also considers Savannah's limited operational track record and its subdued operating performance in FY24 and FY25, characterised by weak revenue visibility and persistent operating-level losses.

## Rating sensitivities: Factors likely to lead to rating actions

**Positive factors: Factors that could individually, or collectively, lead to positive rating action/upgrade**

- Ability to sell land at the envisaged price and timeline.
- Ability to maintain steady cash flow throughout the projected years.
- Timely completion of development projects within cost parameters.

**Negative factors: Factors that could individually, or collectively, lead to negative rating action/downgrade**

- Change in regulations pertaining to the real estate sector by the government, which can impact sale and pricing.
- Significant decline in demand for land.
- Significant increase in debt, resulting in debt-to-equity ratio higher than 0.75x.

## Analytical approach: Standalone

Savannah is analysed on a standalone basis, while factoring in its linkages with its parent, ER Property Limited, and ultimate holding entity, ER Group Limited.

Outlook: Stable

The stable outlook reflects CRAF's expectation that the company will be able to sell land at higher prices, generate sufficient cash flows to meet its debt obligations, and achieve project profitability.

---

[1]Complete definitions of the ratings assigned are available at www.careratingsafrica.com.

**Applicable criteria**

[Rating Methodology – Real Estate Sector]
[Rating Outlook and Credit Watch]
[Criteria for default recognition]
[Criteria for assigning rating outlook and credit watch]
[Rating credit enhanced debt]
[Financial ratios – Non-Financial sector]

**About the company**

Incorporated on October 12, 2020, Savannah Smart City Limited ("Savannah") is a 100% subsidiary of ER Property Ltd (rated CARE MAU A; Stable) which is a 100% subsidiary of ER Group (rated CARE MAU A+; Stable).

Savannah Smart City is a smart village project that will be developed on a total area of 363 arpents. It shares the same business model as Moka City Limited (rated CARE MAU A+; Stable) which is to undertake master and sub infrastructures and sell serviced and unserviced plots of land to sub developers or end clients.

Formed through an amalgamation in October 2020, Savannah applied for a Smart City Certificate to develop Savannah Smart City-a 363-arpent freehold land parcel for the initial phase of its smart city project in the village of Gros Bois. It operates under the Government of Mauritius' Smart City Scheme, focusing on the development of the Savannah region in the south of the island.

In July 2022, the government officially granted the Smart City Certificate for the project, which will be developed in multiple phases and will include residential subdivisions, commercial and office spaces, educational institutions, sports complexes, and medical facilities, among other components.

The ENL Group owns ~7,000 arpents of land in southern Mauritius. ENL Limited transferred 440 arpents in exchange for ordinary shares issued to ER Property. Subsequently, ENL Property transferred funds to Savannah, which were used to pay ER Group for the land acquisition.

**Disclaimer**

CARE Ratings (Africa) Private Limited ("CRAF")'s ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CRAF's ratings do not convey suitability or price for the investor. CRAF's ratings do not constitute an audit on the rated entity. CRAF has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CRAF does not, however, 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. Most entities whose bank facilities/instruments are rated by CRAF have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CRAF may also have other commercial transactions with the entity.

In case of partnership/proprietary concerns, the rating /outlook assigned by CRAF is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CRAF is not responsible for any errors and states that it has no financial liability whatsoever to the users of CRAF's rating. CRAF's ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.



(Subsidiary of CARE Ratings Ltd.)
Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius
Phone: +230 59553060/58626551 • www.careratingsafrica.com
BRN: C14127054 • FSC License No.: CR14000001

## Annexure I

**Rating Symbols**

**Long /Medium-term Instruments**

| Symbols | Rating Definition |
|---|---|
| CARE MAU AAA | Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry lowest credit risk. |
| CARE MAU AA | Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry very low credit risk. |
| CARE MAU A | Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry low credit risk. |
| CARE MAU BBB | Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry moderate credit risk. |
| CARE MAU BB | Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius. |
| CARE MAU B | Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius. |
| CARE MAU C | Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius. |
| CARE MAU D | Instruments with this rating are in default or are expected to be in default soon. |

***Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AA to CARE MAU C. The modifiers reflect the comparative standing within the category.***

**Short term Instruments**

| *Symbols* | *Rating Definition* |
|---|---|
| CARE MAU A1 | Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry lowest credit risk. |
| CARE MAU A2 | Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry low credit risk. |
| CARE MAU A3 | Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories. |
| CARE MAU A4 | Instruments with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry very high credit risk and are susceptible to default. |
| CARE MAU D | Instruments with this rating are in default or expected to be in default on maturity. |

***Modifiers {"+" (plus)} can be used with the rating symbols for the categories CARE MAU A1 to CARE MAU A4. The modifiers reflect the comparative standing within the category.***

**Rating Outlook**

The rating outlook can be ‘Positive’, ‘Stable’ or ‘Negative’.

A ‘Positive’ outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

A ‘Negative’ outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.

A ‘Stable’ outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)
Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius
Phone: +230 59553060/58626551 • www.careratingsafrica.com
BRN: C14127054 • FSC License No.: CR14000001

## Contact us

Contact
Name : Mr. Saurav Chatterjee
Title : Chief Executive Officer
Phone : + 230 5862 6551
E-mail : saurav.chatterjee@careratingsafrica.com
Analytical contact
Name : Mr. Vidhyasagar Lingesan
Title : Chief Rating Officer
Phone : +230 5273 1406
E-mail : vidhya.sagar@careratingsafrica.com

Name : Mr. Naveen Kumar D.
Title : Rating Head
Phone : +230 5511 0811
E-mail : Naveen.Kumar@careratingsafrica.com

Name : Ms. Pooja Appadoo
Title : Group Head
Phone : +230 5955 3060
E-mail : pooja.appadoo@careratingsafrica.com

Name : Mr. Tanmay Vyas
Title : Junior Rating Analyst
Phone : +230 5450 0326
E-mail : Tanmay.Vyas@careratingsafrica.com

**About CARE Ratings (Africa) Private Limited:**
CARE Ratings (Africa) Private Limited (CRAF) is the first credit rating agency to be licensed by the Financial Services Commission of Mauritius in May 2015. It is also recognized by Bank of Mauritius as External Credit Assessment Institution (ECAI) from May 2016. CRAF is also licensed by Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya. CRAF intends to expand across other geographies in Africa with Mauritius as its hub of operations. With an equitable position in the Mauritius capital market, CARE Ratings (Africa) Private Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.
CRAF's shareholders are CARE Ratings Limited, African Development Bank, MCB Equity Fund and SBM (NFC) Holdings Limited.
CRAF gets its technical support in the areas such as rating systems and procedures, methodologies, etc. from CARE Ratings Limited on an ongoing basis. CARE Ratings Limited, with an established track record of rating companies over almost three decades, follows a robust and transparent rating process that leverages its domain and analytical expertise backed by the methodologies congruent with the international best practices.
CRAF’s Rating Committee consist of full-time members comprising of Senior Rating officials from CARE Ratings Limited and a panel of experienced professionals from Mauritius and African Development Bank. CRAF has had a pivotal role to play in developing bank debt and capital market instruments including MMIs, corporate bonds and structured credit.