



Launches

a₹thveda st★r

A Middle Income Housing Fund (MIHF)

A Low Risk Investment with High Returns



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Fund Summary

FUND OVERVIEW

- = aarthveda star is a ₹ 200 Crores fund, with a greenshoe of ₹ 100 Crores. aarthveda star will invest in greenfield residential projects. 75% of the fund will be invested in middle income housing projects across 16 Tier-II / III * cities and Metro outskirts
- = aarthveda retains the flexibility of investing the remaining 25% in other greenfield housing projects

OPPORTUNITIES

- = Investment opportunities have been identified in Tier-II / III cities across India, where aarthveda research shows consistent demand for middle income housing, exceeding supply, across real estate cycles

INVESTMENT STRATEGY

- = Investment in 30-35 projects in 16 cities* in Tier-II/III, and Metro outskirts, with investment ticket size between ₹ 5 Crores and ₹ 20 Crores
- = Investment duration of 24-36 months with a maximum extension of 18-24 months
- = Investment in equity or equity like instruments of Special Purpose Vehicles (SPVs)
- = aarthveda star will have active control of each SPV, with an ownership of at least 51%

INVESTMENT ADVISOR

- = aarthveda Fund Management Private Ltd
- = aarthveda star is a SEBI registered Venture Capital Fund

UNIQUE PROPOSITION – DHFL COLLABORATION

- = aarthveda star will invest in the cities where DHFL has an exposure to the housing markets through providing housing and construction finance
- = aarthveda star will align its investment skills with DHFL's credit skills and the company's knowledge of local markets
- = aarthveda star's expertise and DHFL's strong presence in Tier II/III cities is expected to deliver high returns with low risks

PROVEN TRACK RECORD

- = AVFM's first fund, "DREAM FUND I", focused on commercial and residential real estate
- = The fund has made 6 exits out of 13 investments with IRR ranging between 20% and 45%
- = Net Capital Redemptions of ₹ 8 Crores and Net Profit Distributions of ₹ 34 Crores have been made till date
- = Current investments of ₹ 93 Crores are valued at ₹ 133 Crores (mark-to-market basis) and a projected value of ₹ 175 Crores

Fund Summary Continued...

| Fund Terms | Description |
|---------------------------|--|
| <i>Fund Life</i> | <i>3 years (option of extension of two terms of one year each), after complete drawdown* Investment duration of 24-36 months with a maximum extension of 18-24 months</i> |
| <i>Fund Size</i> | <i>₹ 200 crores (with greenshoe option of ₹ 100 Crores)</i> |
| <i>Minimum Commitment</i> | <i>₹ 10 Lakhs one time, or ₹ 25 Lakhs with drawdown</i> |
| <i>Drawdown</i> | <i>Option 1: Upfront payment (Minimum ₹ 10 Lakhs) Option 2: 20% upfront and balance in two installments of 40% each in a gap of 3 months each from the previous drawdown</i> |
| <i>Commitment Period</i> | <i>Six months from the date of final closure</i> |
| <i>Hurdle Rate</i> | <i>12% pre tax p.a.</i> |
| <i>Target Return</i> | <i>30% (Gross IRR)</i> |
| <i>Carried interest</i> | <i>20% with catch up</i> |
| <i>Management Fees</i> | <i>2% p.a., charged quarterly</i> |
| <i>Entry Load</i> | <i>2% for contributions less than ₹ 1 Crore; 1% for contributions ₹ 1 Crore and above</i> |

**The fund manager expects to have exited most of the investments within 36 months.*

DHFL GROUP OVERVIEW

About DHFL – An Overview - I

STANDING

2nd largest mortgage finance company in the private sector and 3rd largest mortgage finance company in India

PRESENCE

Pan-India lending presence at more than 175 locations, throughout India, especially in Tier-II/III cities

PIONEERS

Pioneer in Mid-Income housing finance (₹ 15-40 Lakhs per unit) and Low-Income housing finance (₹ 4-15 Lakhs per unit)

SIZE

Consolidated Loan Book of ₹ 19,900 Crores as on March 31st, 2011, and is estimated to grow by more than 30% to ₹ 28,000 Crores by 31st March 2012

PERFORMANCE

*Growing at more than 30% CAGR for the last five years
One of the lowest NPA Ratios in the industry at 0.10% as on March 31st, 2011*

FIRST BLUE

Recently acquired Deutsche Postbank Home Finance Ltd. (now known as First Blue Housing Finance Limited) with a book size of about ₹ 5500 Crores

AADHAR

Started Aadhar Housing Finance Limited as a joint venture with International Finance Corporation (IFC), Washington, to focus exclusively on providing housing finance to the Low Income Segment in the low income states of India

About DHFL – An Overview - II

DIVERSIFIED SHAREHOLDING

*Listed on NSE and BSE with a well-diversified shareholding including large offshore-funds such as Caledonia Investment Trust (UK).
Current market capitalization is over ₹ 2300 Crores*

STRONG BANKING RELATIONS

Over 25 of the largest banks in India are lenders to DHFL

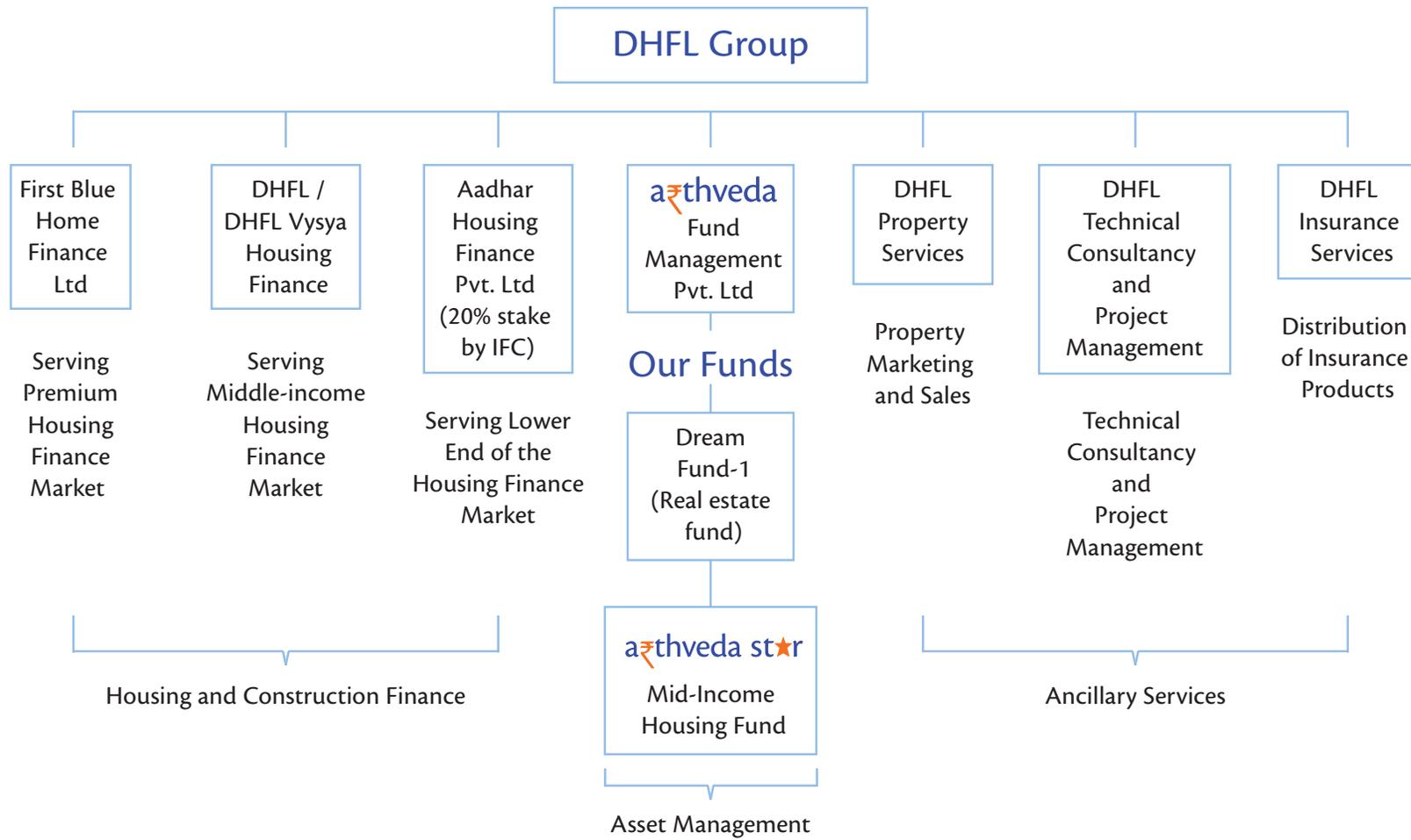
CREDIT RATINGS (SAFETY)

Debt rating A1/P1+ by CRISIL (short term) and AA by CARE and ICRA

DHFL'S OPERATIONAL STRENGTH

*Over 175 branches /service centers, with more than 1000 branch staff
Each branch is staffed by credit, civil engineering, and marketing teams along with empanelled advocates and evaluators
(aṛthveda will have access to DHFL's branch staff and above-mentioned local expertise in cities where it will invest)*

The DHFL Group





arthveda OVERVIEW & PAST PERFORMANCE



About aṛthveda Fund Management Private Limited

DHFL'S AMC ARM

*Commenced operations in 2005-06 as DHFL Venture Capital India Pvt. Ltd
Renamed in 2011 as aṛthveda Fund Management Pvt. Ltd. (AVFM)*

aṛthveda stā

*aṛthveda stā is the middle income housing fund launched by AVFM
aṛthveda stā is registered with SEBI as a Venture Capital Fund*

FIRST FUND

*Successfully launched one of the first venture capital funds in real estate in India – DREAM Fund-I
DREAM Fund-I has done six exits with IRR in the range of 20% to 45%
DREAM Fund-I has seven ongoing investments*

DELIVERING ALPHA

“Higher Returns for Same Risks or Same Returns for Lower Risks”, i.e. Deliver the Best Risk Adjusted Returns

EXPERTISE

Expertise in all aspects of real estate management, including financial, legal, technical & regulatory, construction, and architecture

aṛthveda stā'S VALUE PROPOSITION

aṛthveda's deep understanding of investing in projects combined with DHFL's knowledge of local housing markets, enables aṛthveda stā to offer a compelling value proposition to deliver the best Risk Adjusted Returns in real estate investments

AVFM's Track Record – DREAM Fund I

Investment Track Record - Evaluation of real estate proposals in 20 cities across the country

Dream Fund I Performance

| Deal No. | Developer / Project Name | Location | Type | Amount Invested in ₹ Cr | Gross IRR | Status |
|----------|--------------------------|--------------|-------------|-------------------------|-----------|----------|
| 1 | JST Silicon Towers | Hyderabad | Commercial | ₹ 25.25 | 45.40% | Realized |
| 2 | Blue Star | Cochin | Residential | ₹ 25 | 20.10% | Realized |
| 3 | Riverdale Unwind | Pune | Residential | ₹ 3 | 27% | Realized |
| 4 | Palmgrove I | Bengaluru | Residential | ₹ 5 | 29% | Realized |
| 5 | Springdale | Chennai | Residential | ₹ 2.5 | 30% | Realized |
| 6 | G K's Habitat Royale | Secunderabad | Residential | ₹ 5.5 | 26% | Realized |
| 7 | Flora | Chennai | Residential | ₹ 4.5 | N.A. | Invested |
| 8 | G K's Pride | Secunderabad | Residential | ₹ 13.5 | N.A. | Invested |
| 9 | Malhar | Bengaluru | Residential | ₹ 16 | N.A. | Invested |
| 10 | Marutham | Chennai | Residential | ₹ 3.5 | N.A. | Invested |
| 11 | Wagholi East Ridge | Pune | Residential | ₹ 25 | N.A. | Invested |
| 12 | Golden Beach Hotels | Mumbai | Residential | ₹ 15 | N.A. | Invested |
| 13 | Skylark Realty | Bengaluru | Residential | ₹ 15.3 | N.A. | Invested |

The Deal Funnel - The typical deal funnel that the investment team has experienced in DREAM Fund I was as below :

- = 200 proposals were received for preliminary evaluation, of which 100 proposals were shortlisted for detailed analysis and evaluation. Out of these, 30 proposals qualified for total due diligence. Ultimately 13 proposals got finalized and invested. Currently there are 7 ongoing investments after 6 exits.
- = Net Capital Redemptions of ₹ 8 Crores and Net Profit Distributions of ₹ 34 Crores have been made till date, Current investments of ₹ 93 Crores are valued at ₹ 133 Crores (mark-to-market basis) and a projected value of ₹ 175 Crores

Investments Exited from Earlier Fund Statements/testimonials
by developers to be pasted below each project detail



JST Silicon Tower

Development Type : Commercial
Location : Hyderabad
Amount invested : ₹ 25.25 crores
Gross IRR : 45.40%

"Apart from their vision and investment, DHFL Venture Capital has added significant value by way of technical advice, systemized project management and marketing skills to turn the IT Park as one of the Land mark Projects of Hi-Tech City, Madhapur, Hyderabad."

-Mr. Kishore, Director, Jayabheri Properties

Blue Star

Development Type : Residential
Location : Cochin
Amount invested : ₹ 25 crores
Gross IRR : 20.10%



Riverdale Unwind

Development Type : Residential
Location : Pune
Amount invested : ₹ 3 crores
Gross IRR : 27%

"More than the investment, it was the value addition by way of technical advice and introduction of systems and processes, which helped time bound implementation of our 11 acre project."

-Santosh Naik, MD, Yash Infra Ventures Pvt Ltd

Investments Exited from Earlier Fund



Palmgrove I

Development Type : Residential
 Location : Bengaluru
 Amount invested : ₹ 5 crores
 Gross IRR : 29 %

"You had the vision to foresee the potential of green development and invest with a small organization like us, which has helped us grow."

Stanley George, MD, Goodearth Ecoventures Pvt Ltd

"Your investment challenged my entrepreneurial abilities helping our organization evolve into a large scale developer of residential projects in Chennai"

P G Prabhakar Reddy, MD, P dot G Constructions Pvt Ltd

Development Type : Residential
 Location : Chennai
 Amount invested : ₹ 2.5 crores
 Gross IRR : 30 %

Springdale



GK's Habitat Royale

Development Type : Residential
 Location : Secunderabad
 Amount invested : ₹ 5.5 crores
 Gross IRR : 26 %

"Your unfailing support during the most difficult times the construction industry has ever gone through in Hyderabad, is responsible for what we are today – in a different league all together."

K Sudhakar, CEO, G.K. Group

Some of the Ongoing Investments from Earlier Fund



GK's PRIDE

Development Type : Residential
 Location : Hyderabad
 Amount invested : ₹ 13.46 crores

PDOTG's Flora

Development Type : Residential
 Location : Chennai
 Amount invested : ₹ 4.5 crores



Jade Residences

Development Type : Residential
 Location : Pune - Wagholi
 Amount invested : ₹ 25 crores



a₹thveda st★r – A MIDDLE-INCOME HOUSING FUND
OVERVIEW & RATIONALE



Tier –II/III Cities-The New Growth Pillars

Tier-II & III cities emerging as top job creation centers: Assocham Study

Business Standard, April 12, 2011

Business Standard

FDI funded Alpha G Corp. plans to develop commercial and residential units in Tier-II & III cities.

Business Standard, May 19, 2011

TCS to hire resources from Tier-II & III cities

Mingle Box, October 20, 2011

moneycontrol.com
INDIA'S NO. 1 FINANCIAL PORTAL

BPO Companies shifting to Tier-II and Tier-III cities to cut operational expenses

Business Line, March 26, 2011

Air India to have a dedicated fleet shuttle for Tier-II & III cities

The Economic Times, Sept 21, 2011



German companies show interest in setting up business in Tier-II cities

Manorama Online, October 20, 2011

Retail giants go on an expansion binge in Tier-II & III cities

Financial Express, August 16, 2011

THE TIMES OF INDIA

Paramount to restart operations in Tier-II & III cities
Financial Express, September 17, 2011

THE FINANCIAL EXPRESS

Banks bullish on Tier-II & III cities

First Post, August 5, 2011

WEEKLY Economic Times

Hospitals are creating segments in Tier-II cities for patients and profits

Business World, February 24, 2011

Opportunities in Tier- II/III Cities

- = *Tier-II/III cities hold significant potential for IT off-shoring & BPO and retail & pharmaceutical sector*
- = *Top IT companies such as Infosys and TCS ramping up operations in Tier-II/III cities*
- = *Top retailers such as Future Group & Reliance Retail increasing their presence in Tier-II/III cities*
- = *Top multiplex operators such as Cinemax, PVR and Fame present in Tier II/III cities*
- = *Pizza Hut plans to open 150 stores in Tier-II & Tier-III cities*
- = *Auto hub with Tata, Maruti Suzuki and Ford entering Gujarat*

Opportunities - Tier II/III Cities

DRIVERS OF GROWTH IN TIER II / III CITIES

- = *Saturation in Tier-I and Metropolises*
- = *Tier II / III cities are experiencing:*
 - = *Increased urbanization*
 - = *Increased infrastructure development*
 - = *Growing industrialization*
 - = *Growth in per capita income*
 - = *Growth in bank deposits*
 - = *Strong and consistent housing loan trends (especially in middle-income)*
 - = *Rapid growth in consumption*

Saturation in Tier-I cities

Residential Real Estate Yield

The Residential Real Estate Market of Tier-I cities is almost saturated and prices have gone up manifold. However, there has been a dip in rental yields that reflect unsustainable increase in the property prices.

Source: Hindustan Times

RENTAL YIELDS IN MUMBAI & DELHI NCR

| Region | 2009 | 2010 | 2011 |
|--------|------|------|------|
| MMR | 3.5% | 2.5% | 1.9% |
| NCR | 2.5% | 2.5% | 2.5% |

MMR: Mumbai Metropolitan Region | NCR: National Capital Region

DECLINING SALES TREND OF TIER 1

Area, in million square feet

| Month | Mumbai | NCR | Bengaluru |
|--------|--------|-------|-----------|
| Jun 11 | 8.24 | 21.85 | 6.87 |
| Mar 11 | 9.09 | 27.00 | 9.09 |
| Dec 10 | 10.60 | 20.48 | 6.87 |
| Sep 10 | 12.04 | 25.94 | 9.92 |
| Jun 10 | 12.67 | 23.21 | 10.69 |
| Mar 10 | 12.04 | 27.31 | 8.40 |
| Dec 09 | 13.31 | 23.21 | 7.63 |
| Sep 09 | 17.74 | 19.12 | 3.82 |
| Jun 09 | 20.28 | 8.19 | 8.40 |
| Mar 09 | 8.87 | 8.19 | 3.05 |

INVENTORY MONTHS ARE AT ALL TIME HIGH

Holding of Inventories (in months)

| Quarter | Mumbai | NCR | Bengaluru |
|---------|--------|-----|-----------|
| Jun 11 | 39 | 30 | 26 |
| Mar 11 | 35 | 22 | 19 |
| Dec 10 | 28 | 25 | 24 |
| Sep 10 | 23 | 19 | 17 |
| Jun 10 | 0 | 18 | 16 |
| Mar 10 | 17 | 15 | 22 |
| Dec 09 | 15 | 13 | 23 |
| Sep 09 | 11 | 17 | 49 |
| Jun 09 | 11 | 15 | 23 |

Source: Mc Kinsey

Tier II/III cities are the new destinations for investors

Opportunities – Middle-Income Housing in Tier-II/III Cities

- = *Not served by large funds/investors due to small investment ticket size (less than ₹ 25 Crores)
Not compliant with FDI Regulations*
- = *Equity investment in Tier-II/III cities are considered risky by big investors due to :*
- = *Distance*
- = *Unfamiliarity with local markets and local regulations*
- = *Difficulty in conducting legal, technical, and market due diligence*
- = *High cost of monitoring of investment*
- "Collaboration agreement with DHFL lowers the above risks for aṛthveda stā"*
- = *Better IRR – First Mover Advantage*
- = *Shorter Completion Time – Smaller Projects*
- = *Better Terms for the Fund – Medium Size Development Partners*
- = *Better Diversification - In 30 to 35 projects, across 16 Tier II/ III cities and Metro outskirts*
- = *Easier Exit & Sale – Total no. of units will be less than 10% of the estimated annual demand in the city*

Advantage DHFL – Leaders in Mid Segment Housing

PEDIGREE

More than 25 years experience in mid and lower income segment housing

Exposure of over ₹1000 Crores in mid segment construction finance

Total Housing Finance Loan book of above ₹ 25000 Crores with an Average housing finance ticket size below ₹ 10 Lakhs

LOCAL MARKET KNOWLEDGE AND EXPERIENCE

Loans exposure in over 300 locations with over 100 branches mainly in Tier II/Tier III cities.

STRONG LOCAL TEAM

Strong local teams at branches with civil engineers, marketing and credit teams and empanelled valuers and lawyers.

TECHNICAL CONSULTING AND PROJECT MANAGEMENT

Provides technical consulting and project management services to developers.

PROPERTY BROKING, AND INSURANCE SERVICES

Property Marketing/Sales/Broking for third party developer and Distributors of insurance products of large well known insurance brands.

KNOWLEDGE

Local Markets, local demand, local regulations, local builders

aarthveda star's Investment Focus

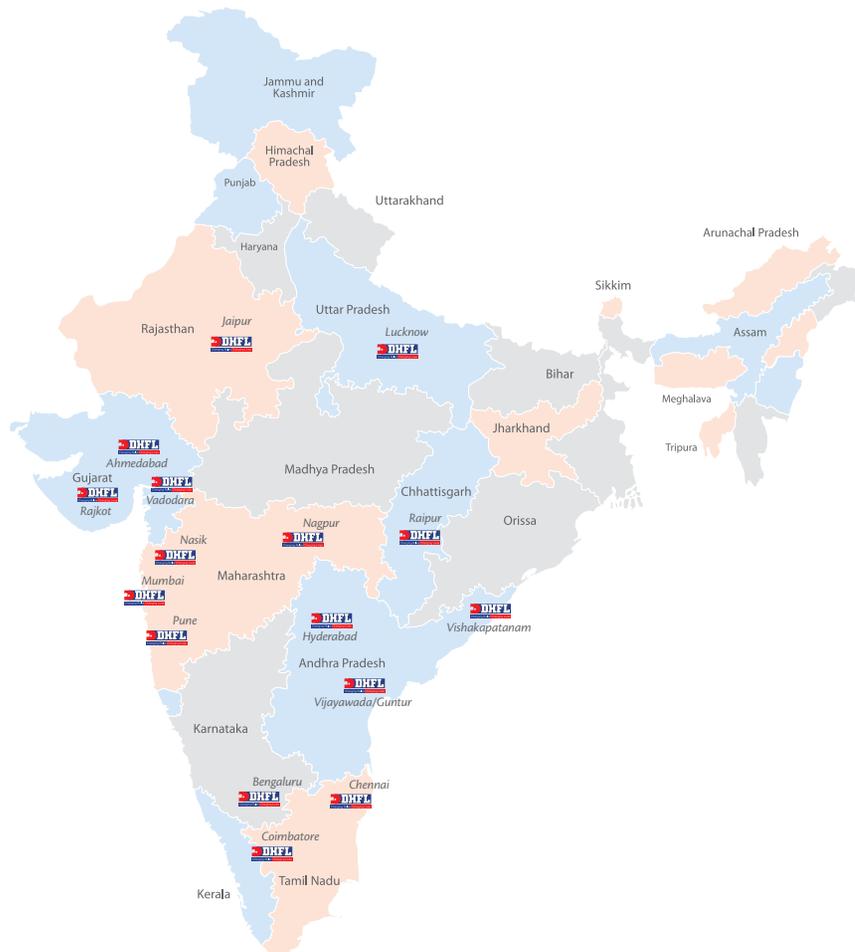
Middle-Income Housing in Tier II/III Cities & Metro Outskirts



aarthveda star through a detailed research has identified investment opportunities in middle income housing in Tier-II /III Cities and Metro outskirts where consistently demand exceeds supply

a₹thveda st★ VALUE PROPOSITION
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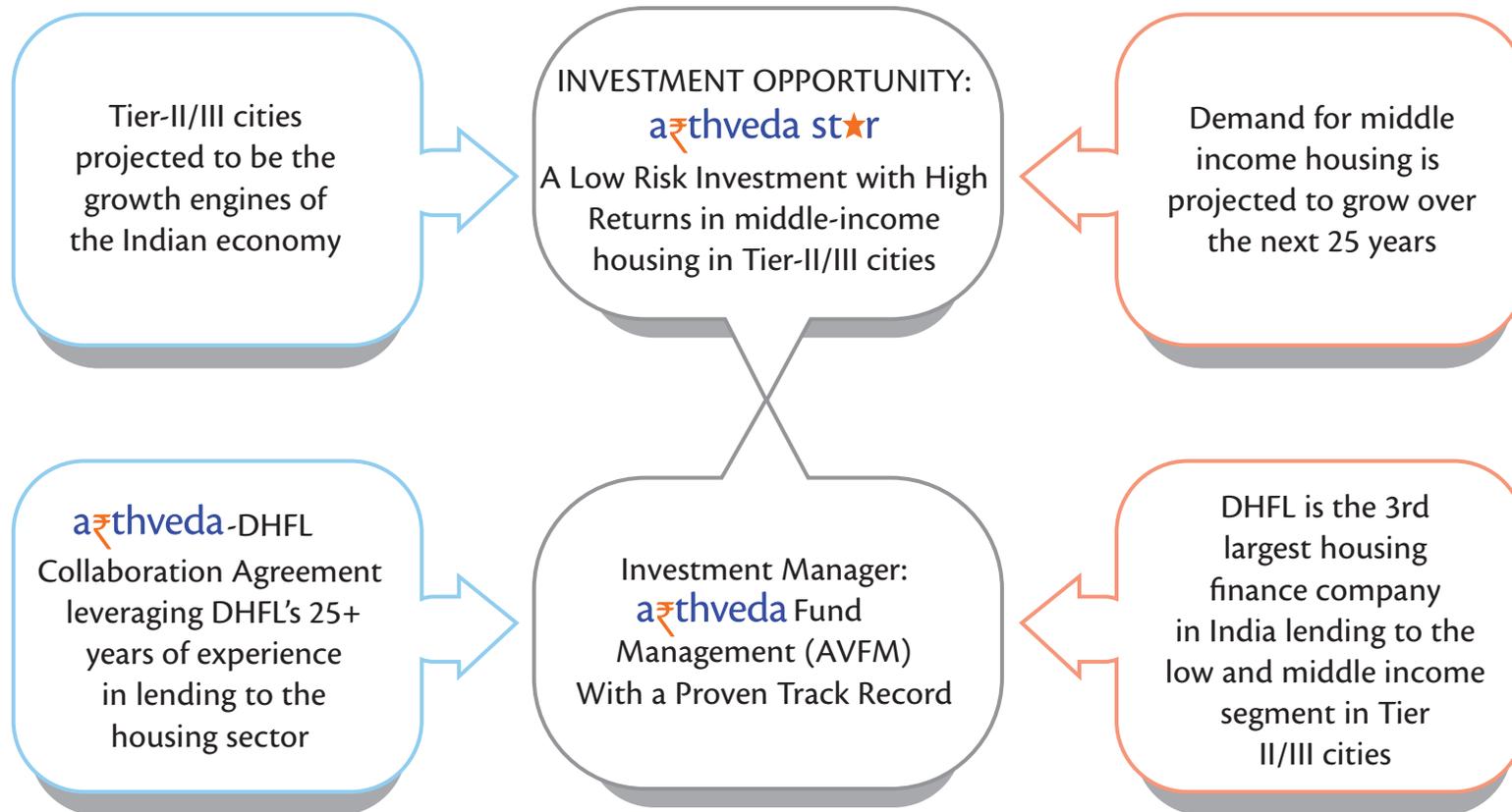
aarthveda star Investment Destinations
Leveraging on DHFL's strong local presence



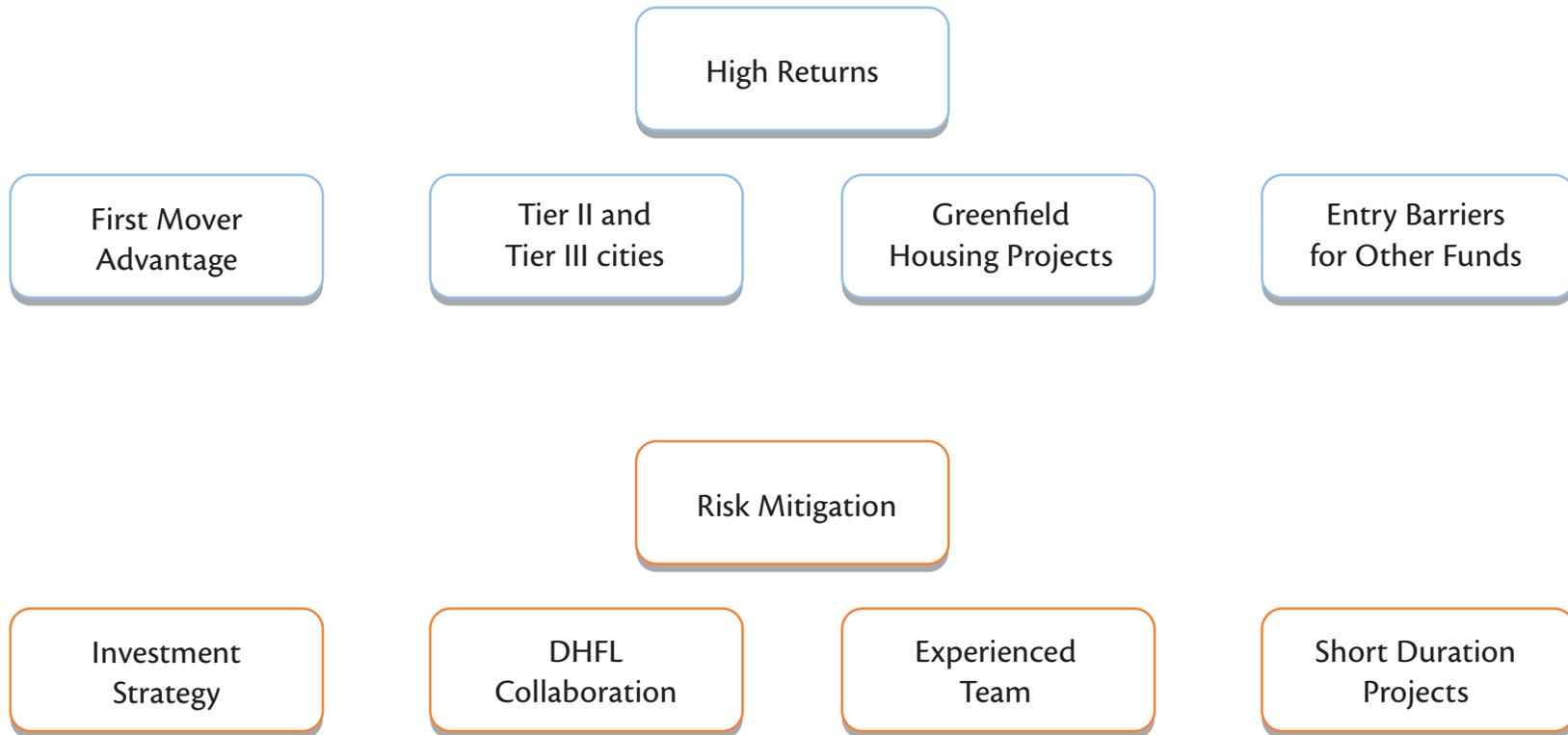
| Branch | Date of Inception | Total staff** |
|------------------------------|-------------------|---------------|
| Raipur | 9/1/2002 | 22 |
| Pune | 5/10/1993 | 84 |
| Nashik | 4/1/1993 | 27 |
| Nagpur | 7/1/1994 | 42 |
| Vishakhapatnam | 3/18/1991 | 27 |
| Lucknow | 2/1/2005 | 39 |
| Vijayawada | 2/8/1992 | 16 |
| Guntur | 11/12/2009 | 12 |
| Coimbatore | 3/28/1991 | 19 |
| Jaipur | 11/1/1990 | 40 |
| Ahmedabad | 6/24/2000 | 29 |
| Rajkot | 3/6/2006 | 23 |
| Vadodara | 4/16/1993 | 32 |
| Hyderabad | 1/17/1991 | 16 |
| Chennai | 6/24/1992 | 20 |
| Bengaluru | 12/8/2008 | 15 |
| Mumbai* | 4/20/2006 | 45 |
| Total | | 527 |
| *Identified Outskirts | | |

** Including Outsourced Staff

Leveraging the Engines of Growth: aarthveda star Fund



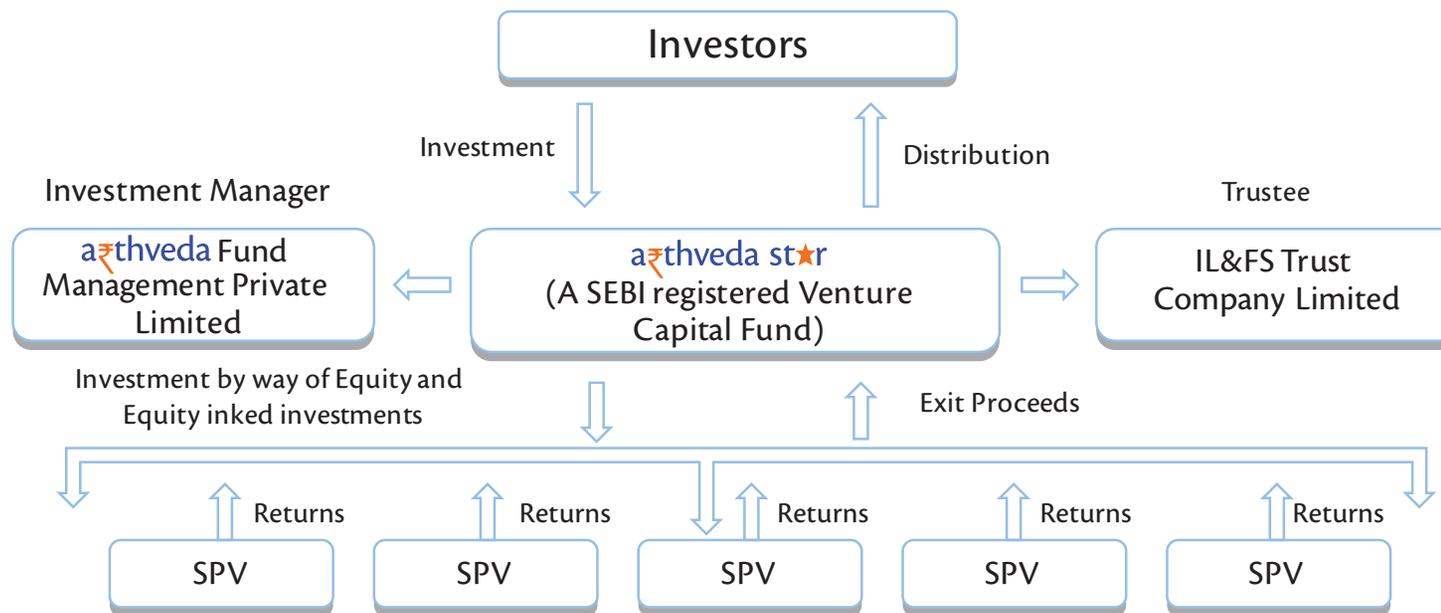
aarthveda star - Compelling Value Proposition



FUND - STRUCTURE, INVESTMENT PROCESS, INVESTMENT PHILOSOPHY & TEAM



Fund Structure & Taxation



Diversification across 16 cities and 30 projects

TAXATION

Most of the fund income is in the form of long term capital gain at the time of the sale of project

The fund has been structured as discretionary trust. There is no double taxation as per Section 184 of the IT Act. Fund will pay taxes as per Section 184 of the Income Tax Act

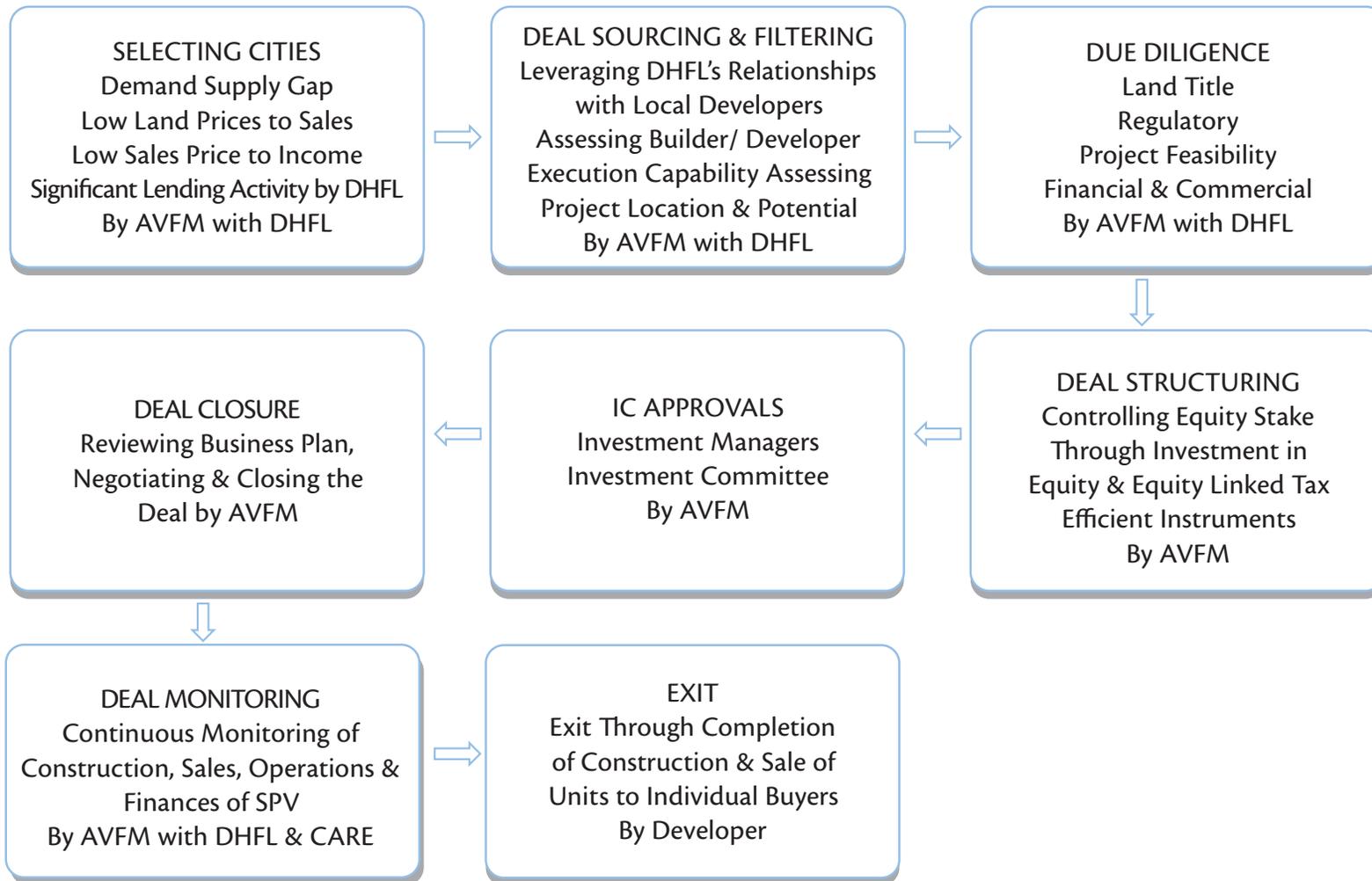
Interest income from Portfolio Company is taxable at maximum marginal rate applicable to fund

Long term capital gain tax on sale of securities- currently 20% (excluding applicable surcharge & cess) in unlisted securities

Investment Strategy

- = aṛthveda st★ will invest only in housing projects. It will not invest in commercial, hospitality or retail projects
"Investment in Housing is Considered Safest in Real Estate"
- = aṛthveda st★ will invest only in MIDDLE INCOME housing projects with selling price ranging from ₹ 2000 to ₹ 4000 per Sq. Ft
"Demand for Middle Income Housing Segment in Tier II/III Cities & Metro Outskirts is Maximum, Most Resilient, Consistent"
- = aṛthveda st★ will invest in cities where there is a large unsatisfied demand
Fast Sales with Upward Pressure on Selling Price
- = aṛthveda st★ will invest in small size projects between 50,000 Sq. Ft and 5,00,000 Sq. Ft
This Ensures Early Completion of Projects and Early Exits For aṛthveda st★
- = aṛthveda st★ will invest in projects with a ticket size between ₹ 5 Crores and ₹ 20 Crores
It gives a diversified portfolio of 30-35 Investments across 16 Cities
- = aṛthveda st★ will have 51% to 75% stake in individual SPVs
It gives legal & operational control over the SPVs
- = aṛthveda st★ as a method of policy does not invest in any projects of the company

Investment Process



Board of Directors



Kapil Wadhawan (Chairman & Managing Director)

- = Post graduate Masters in Business Administration (specializing in Finance) from Edith Cowan University, Perth, Australia
- = Led robust growth of DHFL making it a leading mortgage lending company in India
- = Great knowledge and understanding of real estate and financial markets in India



Bikram Sen (Director & Chief Executive Officer)

- = Over 33 years of experience in Global Investment Banking, Investing and Trading having worked for companies such as American Express, Chemical Bank (now J P Morgan Chase) and SBI and with large fund houses like Quantum (US based George Soros) and The Chatterjee Group.
- = Former Managing Director of Chemical Bank, Tokyo, and former CEO of DHFL
- = Helped propel DHFL from an asset book of ~ \$ 300 Mn. to ~ \$ 2.5 Bn.
- = Led the acquisition of Deutsche Postbank Home Finance adding another \$ 1.5 Bn. to DHFL's asset book



Narayan Sheshadri (Director)

- = Member of Institute of Chartered Accountants of India
- = Over twenty-two years of audit, consulting and industry experience and worked in senior positions in KPMG at London, largely in the financial services and property sectors
- = Served as a member of Forex Market Policy Committee set-up by the Reserve Bank of India



Ajay Vazirani (Director)

- = Solicitor and a Partner with Hariani & Co., Advocates and Solicitors
- = Substantial experience in real estate, corporate and commercial deals related to private placement of equity and venture capital funding
- = Handles matters relating to dispute, resolution including court litigation and arbitration

The Team



Bikram Sen (Director & Chief Executive Officer)

- = Over 33 years of experience in Global Investment Banking, Investing and Trading having worked for companies such as American Express, Chemical Bank (now J P Morgan Chase) and SBI and with large fund houses like Quantum (US based George Soros) and The Chatterjee Group.
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Dr. Vikas V Gupta (Head- Research)

- = Formerly served as Professor and research faculty at IIT Kharagpur and University of California. He has a B.Tech from Indian Institute of Technology (IIT) Bombay and earned his Masters and Doctorate from an Ivy League University—Columbia University, New York.
- = Over 20 years of experience in research, strategy and operations in various CxO-level roles. He has been involved with several IPOs, private placements, and M&A transactions.
- = His capabilities lie in strategic value creation by understanding the interplay of valuation drivers and sources of risk through in-depth research and analytics.
- = He has co-authored a book on Corporate Governance in the context of Sarbanes-Oxley.
- = He holds a value-oriented investment philosophy which emphasizes first a “margin of safety” to minimize risks and then focuses on maximizing returns.

Team Continued...

Investment Team



Mr. Harish Gagwani (Investment Officer)

- = At present, managing projects to the tune of ₹ 650 Crores*
- = Over 30 years of experience in real estate development and project management
- = As former AVP of UTI was responsible for managing real estate properties across India
- = In-depth knowledge of regulatory issues critical for real estate development



Mr. Rajeev Saraogi (Investment Officer)

- = At present, managing projects to the tune of ₹ 400 Crores in the first Fund*
- = Over 8 years of experience in real estate financing and appraising real estate projects of over ₹ 1000 Crores
- = Chartered Accountant and Certified Business Valuer
- = Previously worked with ICICI Bank in Real Estate Finance Group sourcing and appraising corporate and real estate projects



Mr. Deval Gupta (Investment Officer)

- = Experience in Real estate analysis & appraising.
- = Experience of over 3 years in real estate & property market.
- = PGDBA with specialisation in Finance.
- = Previously worked with Omkar Realtors & Developers Private Limited (Developer) & India Blue Mountains Ltd (PE fund).

*based on project value

RISK, MITIGANTS AND INVESTOR PROTECTION



Risk Mitigation

| Risk | Key Risk Factor | Risk Mitigants Adopted |
|-------------------------------------|--|--|
| <i>Economic and Regulatory Risk</i> | <i>Changes in Economic Scenario Changes in Regulations</i> | <i>Short term investments. Continuous monitoring of economic and regulatory conditions, and adapting investments accordingly</i> |
| <i>Construction Risk</i> | <i>Approval Process Delay Execution Delay</i> | <i>Leveraging on DHFL's understanding of local regulations and monitoring of approval processes Execution monitoring and tie-ups with back-up developers</i> |
| <i>Cost Risk</i> | <i>Cost Over Run</i> | <i>Budget allocation before start of the project, cost controlling, and monitoring on regular basis</i> |
| <i>Control Risk</i> | <i>Malpractices by Developer</i> | <i>51-75% stake, appointment of directors on SPV Affirmative rights on critical management decisions at every interval</i> |
| <i>Exit</i> | <i>Sales & Pricing Risk</i> | <i>Demand volumes and pricing assessment through extensive research of micro markets and financing assistance by DHFL</i> |

ANNEXURE



Indicative Investments Pipeline

Annexure I

| Sr No | City | Typical Unit Size (SF) | | Typical Unit Cost (₹Lakhs) | | Project Sellable Size Projects (SF) | | No of Projects in the city | No of Projects Targeted | Market Share % | Per Project Fund Equity Investment (₹ Cr) | Total Fund Equity Investment (₹ Cr) |
|-------|---------------------|------------------------|-------|----------------------------|----|-------------------------------------|----------|----------------------------|-------------------------|----------------|---|-------------------------------------|
| | | From | To | From | To | From | To | | | | | |
| 1 | Raipur | 1000 | 1500 | 15 | 25 | 3,00,000 | 4,50,000 | 30 | 2 | 7 | 7 | 14 |
| 2 | Pune | 550 | 1200 | 15 | 40 | 2,25,000 | 5,00,000 | 50 | 3 | 6 | 12 | 35 |
| 3 | Nasik | 600 | 1800 | 15 | 25 | 2,00,000 | 5,00,000 | 16 | 1 | 6 | 11 | 11 |
| 4 | Nagpur | 750 | 2000 | 15 | 25 | 2,50,000 | 5,00,000 | 25 | 1 | 4 | 15 | 15 |
| 5 | Vishakhapatnam | 900 | 1500 | 15 | 25 | 1,50,000 | 2,50,000 | 28 | 1 | 4 | 5 | 5 |
| 6 | Lucknow | 750 | 2000 | 15 | 30 | 2,25,000 | 5,00,000 | 39 | 2 | 5 | 9 | 19 |
| 7 | Vijayawada & Guntur | 1000 | 1800 | 15 | 25 | 2,00,000 | 3,50,000 | 40 | 2 | 5 | 11 | 22 |
| 8 | Coimbatore | 800 | 1500 | 20 | 40 | 1,50,000 | 2,00,000 | 23 | 1 | 5 | 7.5 | 7.5 |
| 9 | Jaipur | 750 | 1400 | 15 | 40 | 3,00,000 | 5,00,000 | 21 | 1 | 5 | 11 | 11 |
| 10 | Ahmedabad | 500 | 2000 | 15 | 40 | 2,00,000 | 5,00,000 | 55 | 2 | 4 | 10 | 21 |
| 11 | Rajkot & Jamnagar | 750 | 1800 | 15 | 25 | 1,50,000 | 3,50,000 | 15 | 1 | 7 | 8 | 8 |
| 12 | Vadodara | 750 | 1800 | 15 | 25 | 2,00,000 | 4,50,000 | 20 | 1 | 5 | 10 | 10 |
| 13 | Hyderabad Suburbs | 750 | 1500 | 20 | 40 | 3,00,000 | 5,00,000 | 66 | 2 | 3 | 11 | 22 |
| 14 | Chennai Suburbs | 750 | 1350 | 20 | 40 | 3,00,000 | 5,00,000 | 88 | 2 | 2 | 11 | 22 |
| 15 | Bengaluru Suburbs | 1000 | 1800 | 20 | 40 | 4,00,000 | 5,00,000 | 54 | 3 | 6 | 11 | 34 |
| 16 | Mumbai outskirts | 500 | 1200 | 15 | 40 | 2,00,000 | 5,00,000 | 19 | 1 | 5 | 11 | 11 |
| | | | Total | | | | | 566 | 26 | | | 268 |

aarthveda and Developer- Roles and Responsibilities

Annexure II

aarthveda star as a Fund is investing with the developers. It's collaboration with DHFL gives aarthveda star the capability to monitor projects & mitigate investments risks

| Roles and Responsibilities | Builder/ Developer | aarthveda star Fund |
|---|--|---|
| Acquisition of Land/ Registration Process | Land will be acquired by builders/ developers | Role of Fund will be largely subjected to getting the title due diligence done for the investment purpose in SPV |
| Designing/ Approvals of Projects | Designing process, scheduling timelines and approval process will be undertaken by builders/ developers | Reviewing designs, timelines and approval process |
| Resource Planning, Execution & Implementation | Project procurement and execution work will be done by the developers | Monitoring execution process and analyzing the stage of completion and cost through variance at regular intervals |
| Investment | Developers/ builders will also have a stake in the project. A minimum of 25% share will be owned by local developers | Majority of the directors will be appointed by the Fund. The control of SPV will rest with the Fund |
| Exit From Investment | Builders/ developers will be responsible for selling the property and make appropriate exit | aarthveda star with the assistance of its group company DHFL Property Services will assist the developer, if required |

Affordability Matrix

Annexure III

| Annual Salary | ₹ 3 Lakhs < ₹ 5 Lakhs | ₹ 5 Lakhs - ₹ 7.5 Lakhs | ₹ 7.5 Lakhs - ₹ 10 Lakhs |
|---------------------------------------|-----------------------|-------------------------|--------------------------|
| Maximum monthly Loan installments (₹) | 13,000 | 21,500 | 33,000 |
| Typical Home Loan availed (₹) | 1,200,000 | 2,000,000 | 3,200,000 |
| Home owner's contribution (₹) | 300,000 | 500,000 | 800,000 |
| Affordable Price (₹) | 1,500,000 | 2,500,000 | 40,00,000 |
| Apartment Size | 1 BHK | 2 BHK | 3 BHK |
| Area (sq. ft.) | 650 | 1,100 | 1,400 |
| Target unit price (₹ per sq ft) | 2,300 | 2,300 | 2,800 |

= Residential units with ticket sizes from ₹ 15 Lakhs to ₹ 40 Lakhs in Tier-II/III cities comprise best suited target buyers

Support Partners

| | |
|-------------------------------|---|
| Trustees | IL&FS Trust Company Limited |
| Legal Advisors | Nishith Desai & Associates, Hariani & Co. |
| Statutory Auditors | Ernst & Young (S.R. Batliboi & Co.) |
| Internal Auditors | Saraf & Co., Ashok Jayesh and Associates |
| Registrar and Transfer Agents | Computer Age Management Services (CAMS) |
| Research | Propequity And CARE Research |
| Project Rating | CARE |
| Advisor to the Fund | Sarathi Advisors Pvt. Ltd. |

The aṛthveda Team



Contact Us

Investor Relations



Mr. Satyajit Jog

- = Graduate from Mumbai University with over 12 years experience in banking and financial services handling various desks like capital markets, treasury back office, operations etc
- = Handled client portfolios of over ₹ 250+ Crores

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Compliance



Mr. Satish Sawnani

- = A qualified CA, CS and CAIB from IIB with over 23 years of experience in finance, accounts and compliance & regulatory issues
- = Earlier worked with Everest Developers, Mizuho Commercial Bank Ltd., Apple Industries, Reliance Industries Ltd., WIMCO and Roto Group of Companies

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