



Our Company was incorporated as a public limited company under Companies Act, 1956 on April 4, 2000 with the name Repco Home Finance Limited. We received our certificate of commencement of business on May 2, 2000 from the Registrar of Companies, Tamil Nadu. There has been no change in the name and the registered office of our Company since incorporation. For further details, see the section titled "History and Certain Corporate Matters" on page 100 of the Red Herring Prospectus dated March 4, 2013 ("RHP").

Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017, Tamil Nadu, India; Telephone: +91 44 2834 0017; Facsimile: +91 44 2834 0716 Corporate Office: Karumuttu Centre, Second Floor - North Wing, Old No: 498, New No: 634, Anna Salai, Nandanam, Chennai 600 035, Tamil Nadu, India Telephone: +91 44 4210 6650; Facsimile: +91 44 4210 6651 Contact Person and Compliance Officer: Mr. K. Prabhu; Telephone: +91 44 4210 6650; Facsimile: +91 44 4210 6651 E-mail: cs@repcohome.com; Website: www.repcohome.com

# REPCO HOME FINANCE LIMITED

PUBLIC ISSUE OF 15,720,262 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF REPCO HOME FINANCE LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE, AGGREGATING TO ₹ [•] MILLION (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF 180,000 EQUITY SHARES OF ₹ 10 EACH FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES AT THE ISSUE PRICE ("EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE SHALL CONSTITUTE 25.29% OF THE POST ISSUE PAID-UP CAPITAL AND THE NET ISSUE SHALL CONSTITUTE 25% OF THE POST ISSUE PAID-UP CAPITAL OF OUR COMPANY. OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), HAS DECIDED TO OFFER DISCOUNT TO THE ISSUE PRICE AMOUNTING TO ₹ 16 TO ELIGIBLE EMPLOYEES.

**PRICE BAND: ₹ 165 TO ₹ 172 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH**  
**THE FLOOR PRICE IS 16.5 TIMES THE FACE VALUE AND THE CAP PRICE IS 17.2 TIMES THE FACE VALUE**  
**BIDS CAN BE MADE FOR MINIMUM OF 75 EQUITY SHARES AND IN MULTIPLES OF 75 EQUITY SHARES THEREAFTER**

## BASIS FOR ISSUE PRICE

**Qualitative Factors :** Competitive strengths - We believe that we have the following principal competitive strengths: • Direct customer contact and customer ownership; • Focus on quality customer servicing, transparency and speed of operations; • Focus on relatively under penetrated markets and segments; • Robust risk management systems and processes; • Low cost operations; • Well recognised brand in South India with an established track record; and • Stable and experienced senior management team.

For further details regarding some of the qualitative factors which form the basis for computing the Issue Price, please refer to the section titled "Our Business – Our Competitive Strengths" on page 77 of the Red Herring Prospectus.

**Quantitative Factors:** Information presented in this section is derived from our restated financial statements for the Fiscals 2012, 2011 and 2010 appearing in the section titled "Financial Statements" beginning on page 129 of the Red Herring Prospectus.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:  
**1. Basic and Diluted Earnings/(Loss) per Share ("EPS")**

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Fiscal 2012	14.55	14.55	3
Fiscal 2011	12.19	12.19	2
Fiscal 2010	10.03	10.03	1
<b>Weighted Average</b>	<b>13.01</b>	<b>13.01</b>	<b>-</b>

Basic and Diluted EPS for half year ended September 30, 2012 is ₹ 7.67 (not annualised) and for the half year ended September 30, 2011 is ₹ 6.96

**Note:** 1. Earnings per share calculations are in accordance with AS 20 "Earnings per Share" issued by the ICAI.

Basic Earnings Per Share (₹)	=	Net Profit attributable to Equity Shareholders Weighted Average Number of Equity Shares outstanding during the Year
Diluted Earnings Per Share (₹)	=	Net Profit attributable to Equity Shareholders Weighted Average of Potential Number of Equity Shares Outstanding during the Year

2. The face value of each Equity Share is ₹ 10.00

2. Price Earning Ratio ("P/E") in relation to the Issue Price of ₹ [•] per Equity Share

Sr. No.	Particulars	Standalone
(i)	P/E ratio based on Basic EPS for the year ended March 31, 2012 at the Floor Price:	11.34
(ii)	P/E ratio based on Diluted EPS for the year ended March 31, 2012 at the Floor Price:	11.34
(iii)	P/E ratio based on Basic EPS for the year ended March 31, 2012 at the Cap Price:	11.82
(iv)	P/E ratio based on Diluted EPS for the year ended March 31, 2012 at the Cap Price:	11.82
(v)	Industry P/E*	
	Highest	32.17
	Lowest	6.71
	Industry Composite	18.61

\* The industry high and low has been considered from the industry peer group provided below. The industry composite has been calculated as the arithmetic average of the P/E ratio of the industry peer group provided below. For further details please see "Comparison with Listed Peers" below.

**3. Return on Net worth ("RoNW")**

Period	RoNW %	Weight
Fiscal 2012	22.28	3
Fiscal 2011	23.43	2
Fiscal 2010	23.09	1
<b>Weighted Average</b>	<b>22.80</b>	<b>-</b>

RoNW (%)	=	Net Profit After Tax Net Worth excluding Revaluation Reserves at the end of the Year
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For further details, see the section "Basis for Issue Price" on page 77 of the Red Herring Prospectus.

**Minimum RoNW after Issue needed to maintain Pre-Issue EPS for the Fiscal 2012:**

**(a) Based on Basic EPS**

At the Floor Price – 15.12% based on restated financial statements.

At the Cap Price – 14.84% based on restated financial statements.

**(b) Based on Diluted EPS**

At the Floor Price – 15.12% based on restated financial statements respectively.

At the Cap Price – 14.84% based on restated financial statements respectively.

**4. Net Asset Value per Equity Share**

Period	NAV (₹)
As at September 30, 2012	72.97
Fiscal 2012	65.30
Period	NAV (₹)
NAV after the Issue	[•]
Issue Price*	[•]

Net Asset Value per Equity Share (₹) = Net worth excluding Revaluation Reserves at the end of the year / Number of equity shares outstanding at the end of the year

\*The Issue Price of ₹ [•] per Equity Share has been determined on the basis of the demand from investors through the Book Building Process and is justified based on the above accounting ratios.

5. Comparison with Listed Peers

Company name	Consolidated/ Standalone	Year Ended	Face value (₹)	Diluted EPS (₹)	NAV per share (₹)	P/E#	P/BV#	RoN W (%)
Repco Home Finance Limited <sup>(1)</sup>	Standalone	March 31, 2012	10.00	14.55	65.3	[•]	[•]	22.28
<b>Peer group</b>								
LIC Housing Finance Limited <sup>(2)</sup>	Standalone	March 31, 2012	2.00	19.20	112.59	12.93	2.20	16.09
Housing Development Finance Corporation Limited <sup>(2)</sup>	Standalone	March 31, 2012	2.00	27.54	128.76	29.90	6.40	21.68
GIC Housing Finance Limited <sup>(2)</sup>	Standalone	March 31, 2012	10.00	10.96	92.33	11.34	1.35	11.87
Dewan Housing Finance Corporation Limited <sup>(2)</sup>	Standalone	March 31, 2012	10.00	28.67	173.97	6.71	1.11	15.07
Gruh Finance Limited <sup>(2)</sup>	Standalone	March 31, 2012	10.00	6.80 <sup>(3)</sup>	21.84 <sup>(3)</sup>	32.17	10.02	31.21

(1) Based on restated financial statements for the year ended March 31, 2012.

(2) The accounting ratios for the Peer group have been calculated from the data sourced from the respective Annual Reports for Fiscal 2012 for the said companies.

(3) The Diluted EPS and NAV per share for Gruh Finance Limited for the year ended March 31, 2012 is ₹ 34.01 and ₹ 109.22 respectively as reported in the Annual Report of the company. These numbers have been changed to account for the stock split.

#Computed based on the closing price on NSE as on 19 February, 2013 and Diluted Earnings Per Share, as reported in the respective Annual Report of the said companies ("Diluted EPS") and Net Asset Value Per Share ("NAV per share") for the year ended March 31, 2012, except for Repco Home Finance Limited.

The Issue Price of ₹ [•] has been determined by our Company, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares determined through the Book Building Process and is justified based on the aforementioned qualitative and quantitative factors. For further details, please see the section entitled "Risk Factors" beginning on page xiii of the Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the section entitled "Financial Statements" beginning on page 129 of the RHP.

## PROMOTER OF OUR COMPANY: REPCO BANK LIMITED

### BID/ISSUE PROGRAMME

**OPENS ON WEDNESDAY  
MARCH 13, 2013\***

**CLOSES ON Friday, March 15, 2013 (FOR QIB BIDDERS)**

**CLOSES ON Friday, March 15, 2013  
(FOR RETAIL AND NON INSTITUTIONAL BIDDERS)**

\*Our Company may consider participation by Anchor Investors. The Anchor Investors shall Bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/Issue Opening Date.

**ASBA\***

**Simple, Safe, Smart way of making an Application - Make use of it!!!**

\*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

In case of any revision in the Price Band, the Bidding/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bidding/Issue Period not exceeding ten Working Days. Any revision in the Price Band, and the revised Bidding/Issue Period, if applicable, shall be widely disseminated by notification to the Self Certified Syndicate Banks ("SCSBs"), the National Stock Exchange of India Limited (the "NSE") and BSE Limited (the "BSE"), by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the other members of the Syndicate.

The Issue is being made through the 100% Book Building Process in accordance with Rule 19(2)(b)(i) of the Securities Contracts Regulation Rules, 1957, as amended ("SCRR") read with Regulation 26(1) of the SEBI ICDR Regulations, wherein 5% of the Net Issue shall be available for allocation on a proportionate basis to qualified institutional buyers ("QIBs"). Our Company may, in consultation with the BRLMs allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third shall be reserved for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. The allotment of Equity Shares to each Retail Individual Bidder shall not be less than minimum bid lot, subject to availability of Equity Shares in Retail Investor category, and the remaining available Equity Shares, if any, shall be allotted on proportionate basis. Further, 180,000 Equity Shares shall be reserved for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue price. All Investors other than Anchor Investors may participate in the Issue through the ASBA process by providing the details of their respective ASBA Accounts. QIBs and Non Institutional Bidders shall mandatorily participate through the ASBA process. Specific attention is invited to the section titled "Issue Procedure" on page 207 of the RHP.

**Bidders should note that on the basis of the DP ID, Client ID and PAN provided by them in the Bid-cum-Application Form or ASBA Form and entered into the Stock Exchange system by the Bidding Centre, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Bidders. These Demographic Details would be used for giving CAN to the Bidders, refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS). Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/credit of refunds to Bidders at the Bidders sole risk and neither the members of the Syndicate or the Registrar to the Issue or the Bankers to the Issue or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form.**

**Bidders may note that in case the DP ID, BAN and PAN entered into the electronic Bidding system of the stock exchanges by the members of the Syndicate in case of Bid by way of Syndicate ASBA, the SCSBs and the Registered Brokers, as the case may be, do not match with the DP ID, BAN and PAN available in the Depository database, the Bid-cum-Application Form is liable to be rejected and our Company and the members of the Syndicate shall not be liable for losses, if any.**

**Listing:** The Equity Shares offered through the RHP are proposed to be listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE). Our Company has received in-principle approvals from the NSE and the BSE for listing of the Equity Shares pursuant to their letters dated October 24, 2011 and November 4, 2011 respectively. For the purposes of the Issue, the NSE shall be the Designated Stock Exchange.

**Disclaimer Clause of SEBI:** "SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the offer document." The investors are advised to refer to page 186 of the RHP for the full text of the Disclaimer clause of SEBI.

**Disclaimer Clause of BSE:** "It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page 190 of the RHP for the full text of the Disclaimer clause of the BSE Limited."

**Disclaimer Clause of NSE:** "It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 190 of the RHP for the full text of the Disclaimer clause of NSE."

**IPO GRADING:** The Issue has been graded by ICRA Limited and has been assigned the "IPO Grade 3/5" indicating average fundamentals in its letter dated December 18, 2012. The IPO grading is assigned on a five point scale from 1 to 5 with "IPO Grade 5/5" indicating strong fundamentals and "IPO Grade 1/5" indicating poor fundamentals. For more information on IPO grading, see the sections titled "General Information", "Other Regulatory and Statutory Disclosures" and "Material Contracts and Documents for Inspection" on pages 20, 184 and 273 of the RHP respectively.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER	
<p><b>SBI Capital Markets Limited</b> 202, Maker Tower 'E', Cuffe Parade Mumbai 400 005, Maharashtra, India Tel: +91 22 2217 8300 Fax: +91 22 2218 8332 Email: repcohome.ipo@sbicaps.com Investor Grievance Email: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Ms. Sylvia Mendonca/ Ms. Rajalakshmi Vaidyanathan SEBI Registration No.: INM000003531</p>	<p><b>IDFC Capital Limited</b> Naman Chambers, C-32, G-Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India Tel: +91 22 6622 2600 Fax: +91 22 6622 2501 Email: repco.ipo@idfc.com Investor Grievance Email: complaints@idfc.com Website: www.idfccapital.com Contact Person: Mr. Hiren Raipancholia SEBI Registration No.: INM000011336</p>	<p><b>JM Financial Institutional Securities Private Limited</b> 141, Maker Chambers III, Nariman Point, Mumbai 400 021, Maharashtra, India Tel: +91 22 6630 3030 Fax: +91 22 2204 2137 E-mail: repco.ipo@jmf.com Investor Grievance E-mail: grievance.id@jmf.com Website: www.jmf.com Contact Person: Ms. Lakshmi Lakshmanan SEBI Registration No.: INM000010361</p>	<p><b>Karvy Computershare Private Limited</b> Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081 Andhra Pradesh, India Tel: +91 40 4465 5000 Fax: +91 40 2343 1551 E-mail: repco.ipo@karvy.com Investor Grievance E-mail: repco.ipo@karvy.com Website: karisma.karvy.com Contact Person: Mr. M Murali Krishna SEBI Registration No.: INR000000221</p>	<p><b>Mr. K. Prabhu</b> Repco Home Finance Limited Karumuttu Centre, Second Floor - North Wing, Old No: 498, New No: 634, Anna Salai, Nandanam, Chennai 600 035; <b>Telephone:</b> +91 44 4210 6650; <b>Facsimile:</b> +91 44 4210 6651; <b>E-mail:</b> cs@repcohome.com</p> <p>Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Issue or the BRLMs in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account or refund orders.</p>

**AVAILABILITY OF RED HERRING PROSPECTUS:** Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available at www.sebi.gov.in and the websites of the Book Running Lead Managers to the Issue at www.sbicaps.com, www.idfccapital.com and www.jmf.com and websites of BSE & NSE i.e. www.bseindia.com and www.nseindia.com.

**AVAILABILITY OF BID CUM APPLICATION FORMS:** Bid-cum-application forms can be obtained from REPCO HOME FINANCE LIMITED, the Book Running Lead Managers to the Issue: SBI CAPITAL MARKETS LIMITED, Tel: +91 22 2217 8300, Fax: +91 22 2218 8332; IDFC CAPITAL LIMITED, Tel: +91 22 6622 2600, Fax: +91 22 6622 2501 and JM Financial Institutional Securities Private Limited, Tel: +91 22 6630 3030, Fax: +91 22 2204 2137; Syndicate Members: SBICAP Securities Limited, Tel: +91 22 4227 3300, Fax: +91 22 4227 3390; JM Financial Services Private Limited, Tel: +91 22 2266 5902, Fax: +91 22 6654 1511; Sharekhan Limited, Tel: +91 22 6115 0000, Fax: +91 22 6748 1819 and at the select locations of the Sub-Syndicate members participating in the Issue. Bid-cum-application forms will also be available on the websites of BSE, NSE and the designated branches of SCSBs

**Applications Supported by Blocked Amount (ASBA):** All investors (other than Anchor Investors) may apply through the ASBA process. The investor is required to fill the ASBA form and submit the same to their bank which will block the amount in the account as per the authority contained in ASBA form and undertake other tasks as per the specified procedure. On allotment, amount will be debited only to the extent required to pay for allotment of shares. Hence, there will be no need for refunds. ASBA forms can be downloaded from the websites of BSE and NSE. ASBA form can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. For more details on the ASBA process, please refer to the details given in the ASBA form and abridged prospectus and also please refer to the section 'Issue Procedure' beginning on page 207 of the RHP.

**Escrow Collection Banks:** Development Credit Bank Limited, IndusInd Bank Limited, YES Bank Limited

**Refund Bank(s):** YES Bank Limited

**Public Issue Account Bank(s):** YES Bank Limited

For REPCO HOME FINANCE LIMITED

on behalf of Board of Directors

Sd/

Managing Director

Date: March 5, 2013

All capitalised terms, not specifically defined, shall have the same meaning as ascribed to it in the Red Herring Prospectus dated March 4, 2013.

REPCO HOME FINANCE LIMITED is proposing, subject to market conditions and other considerations, a public issue of its Equity Shares and has filed the Red Herring Prospectus with the Registrar of Companies, Tamil Nadu. The RHP shall be available on the website of SEBI at www.sebi.gov.in and is available on the websites of the Book Running Lead Managers at www.sbicaps.com, www.idfccapital.com and www.jmf.com. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled 'Risk Factors' on page xiii of the RHP. This document is not an issue of securities for sale in the United States or elsewhere. This document has been prepared for publication in India and is not for publication or distribution, directly or indirectly, in or into the United States. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States (as defined in Regulation S of the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in reliance on Regulation S of the U.S. Securities Act.