

**Sarthi Capital Advisors Private Limited**  
**Bridging the Gaps**



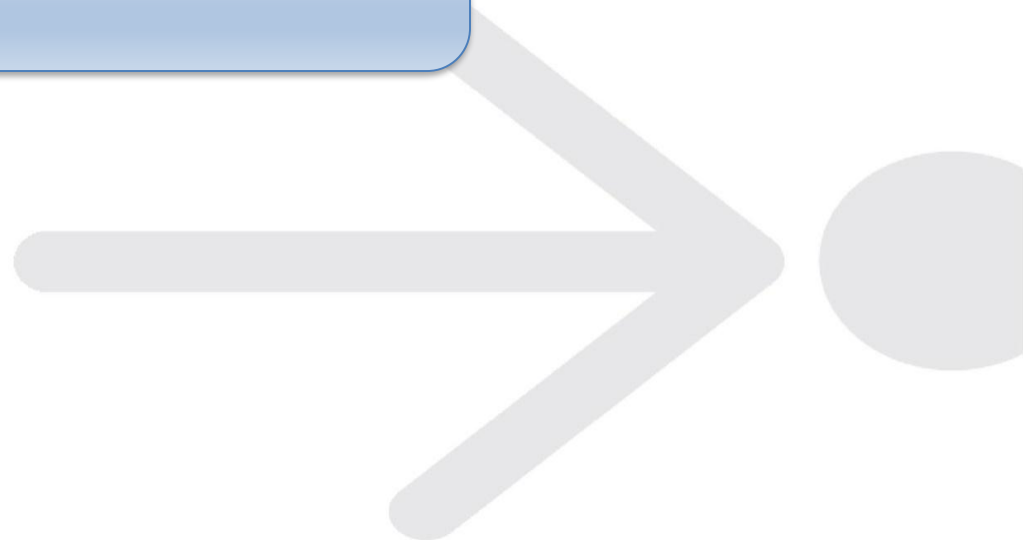
***Akme Star Housing Finance Ltd***  
***Investor Presentation***

**January, 2018**  
**Privileged and Confidential**

<b>Content</b>	<b>Page</b>
<b>Corporate Overview</b>	<b>4 – 6</b>
<b>Operational Overview</b>	<b>8 – 15</b>
<b>Industry &amp; Business Outlook</b>	<b>17 – 18</b>
<b>Financials – H1FY18 Vs H1FY17</b>	<b>20 – 25</b>

---

**Corporate Overview**





- ✓ Headquartered in Udaipur, Rajasthan, Akme Star Housing Finance Ltd was incorporated in the year 2005 as housing finance company, to provide home loans finance to weaker section and finance for group housing societies of the weaker section and to housing finance for housing complexes, built by societies/NGO engaged in the welfare of the weaker section.
- ✓ Akme is registered with National Housing Bank (NHB) and offers finance to cater housing loan, Loan against properties categories to construction of new unit, purchase of plots and extension and renovation loan.
- ✓ Akme is currently operational in three states namely Rajasthan, Madhya Pradesh and Gujarat covering ten districts, thirty five villages and 238 borrowers across these states.
- ✓ Company is consciously targeting markets that are relatively underpenetrated and believes that sustained growth in the Indian economy will result in urbanization and significant development in the housing sector of the Country.

## Home Loan For

Purchase of New Units

Construction of new units

Purchase of plots and construction thereon

Purchase of resale units

Extension and Renovation Loan

## Other Loans\*

Loan against property

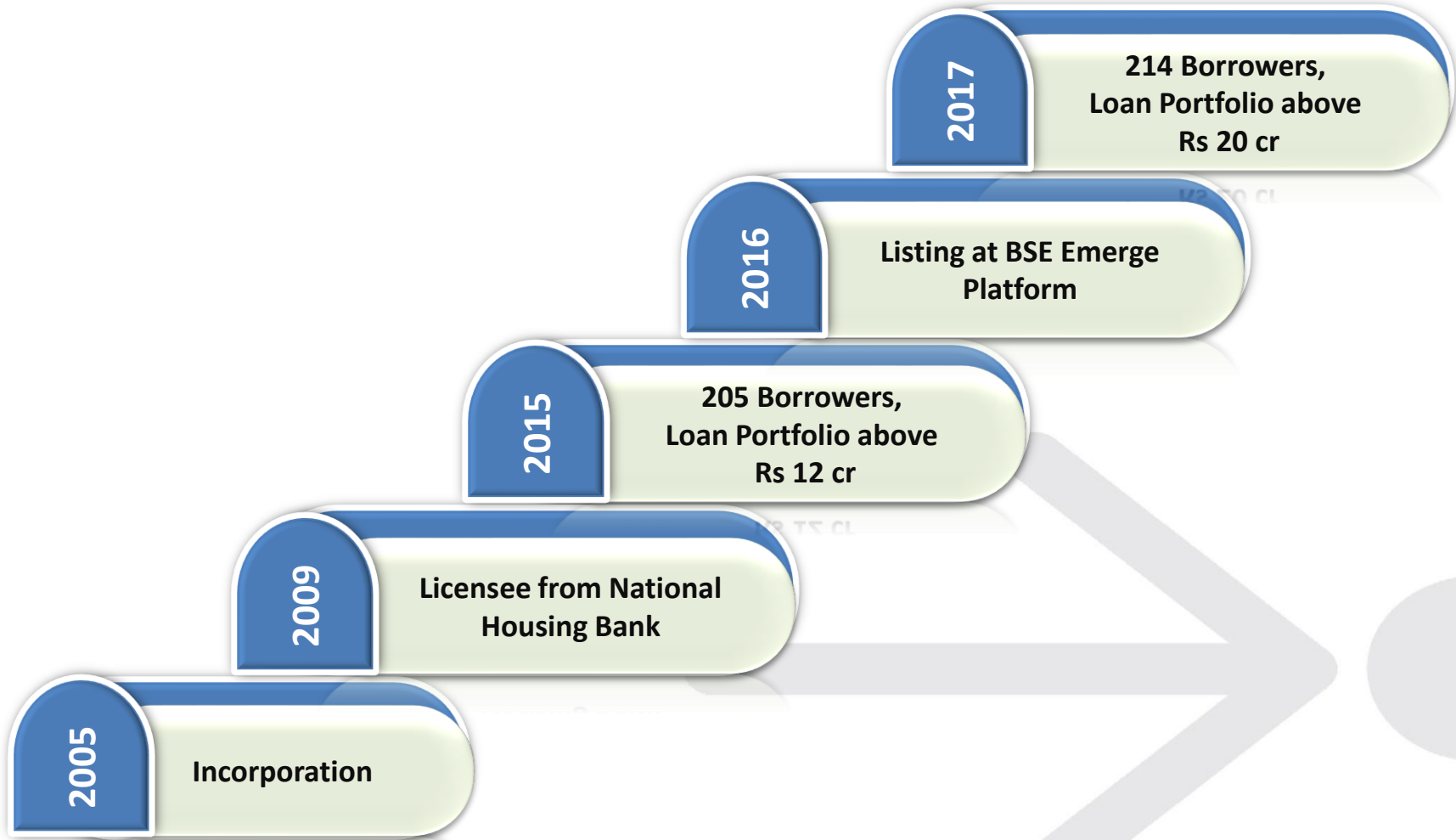
Education Loan

Project Loans to developers

Business Loans

*\* As per the norms specified in National Housing Bank*

# Key Milestone



*\* As per the norms specified in National Housing Bank*

## Operational Overview

# Under the Aegis of a Experienced Board



DR. MOHAN LAL NAGDA  
Managing Director

CA NIRMAL KUMAR JAIN  
Executive Director

ASHISH JAIN  
Executive Director

KALU LAL JAIN  
Executive Director

DR. REKHA JAIN  
Independent Director

AMRIT SINGH  
RAJPUROHIT  
Independent Director

CA RAJNI GEHLOT  
Independent Director

BHANWER SINGH  
KACHHAWAHA  
Chief Financial Officer

CS PARITOSH KOTHARI  
Compliance Officer



## Board of Directors



### Managing Director & Chairman

Dr. Mohan Lal Nagda, is the Promoter and Managing Director of the Company. He is a qualified Chartered Accountant with additional qualifications of CS, ICWA, MBA and Phd degree on the topic "Disinvestment by Government. After a service of more than 23 years on higher managerial post in Hindustan Zinc Limited, he took VRS and started this Housing Finance Company. Under his guidance and vision Company got the License from National Housing Bank. Dr Nagda is having vast experience in the fields of insurance, housing, human resource development, information technology and marketing.



### Executive Director

Mr. Nirmal Kumar Jain, is the Promoter and Executive Director of the Company. Founder member of the Akme Group he is a first generation entrepreneur, a Chartered Accountant and Cost Accountant by qualification and visionary having more than two decades business experience. Mr. Nirmal Kumar Jain also awarded as "Business Leader Corporate 2nd Rank by Institute of Chartered Accountants of India and the Mahaveer Yuva Sansthan, Udaipur gave honour as "YUVA GAURAV" in 2012. Under his leadership & Vision, the Company commenced its transformational journey, reaching out to customers across the length and breadth making the group grows at a faster pace.



### Director

Mr. Kalu Lal Jain, aged 47 years, is the Promoter and Director of the Company. He is a highly acclaimed dignitary of the city having vast experience of real estate and construction industry since 1986. He actively looks after the finance division of the Company and has adequate experience of activities allied thereto.

## Board of Directors



### **Non-Executive Independent Director**

Mr. Amrit Singh Rajpurohit, aged 63 years, is the Non –Executive & Independent Director of the Company. He has a vast experience in mineral industries and development of land. He is a active social worker and is associated with various NGOs.



### **Non- Executive Independent Director**

Mrs. Rajni Gehlot, aged 35 years, is the Non-Executive & Independent Director of the Company. She is a young dynamic Chartered Accountant member of ICAI having a bright knowledge of Finance and manages the functioning of Company in well manner, having experience of more than six years. She is also the chairperson of the audit committee of the Company.



### **Exexutive Director**

Ashish Jaim, an Engineer and a Post Graduate from the University of Nottingham, UK, he has been appointed as Executive Director of the Company. After service of more than 2years in UK, having acquired on all round and in-depth knowledge in Technical Feild and Business Aspects

## Organization Chart

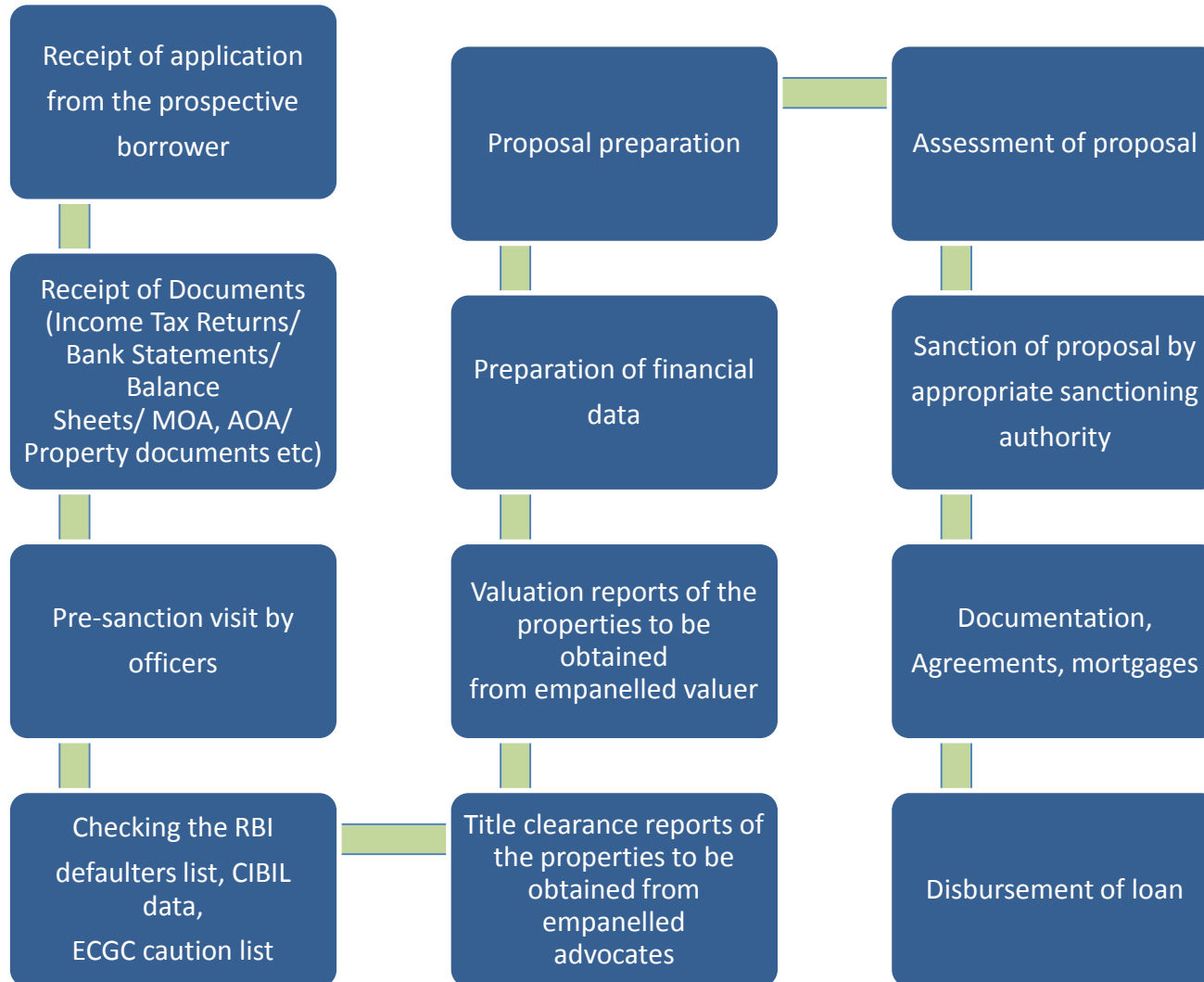


## Domestic Presence

Sr. No.	Branch Location
1	Rajasthan
2	Maharashtra
3	Madhya Pradesh



## Credit Appraisal Process

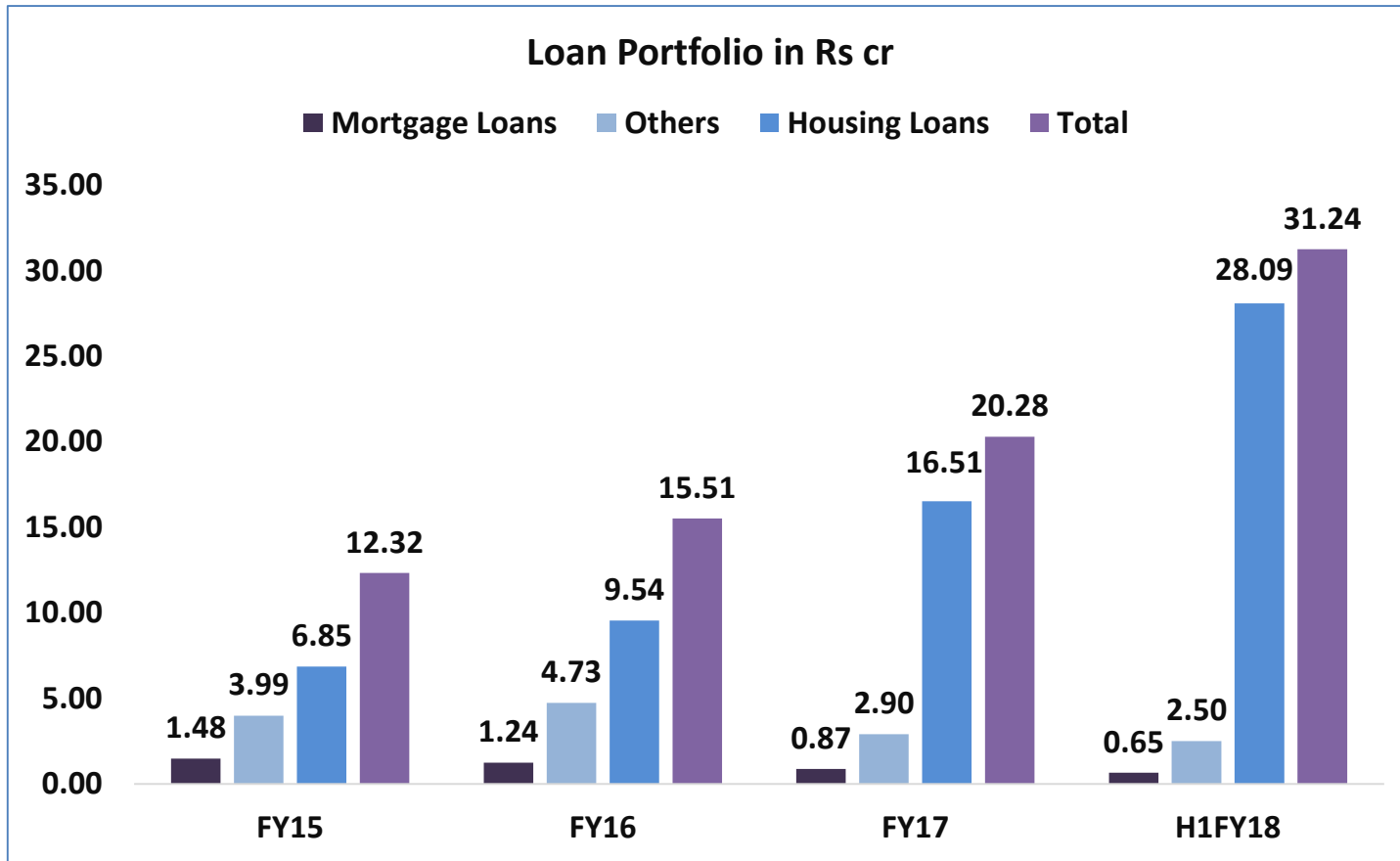


## Indicative Terms of Loan Product

Name / Type of Loan	Housing Loans	Mortgage Loans	Others
Loan Term (no. of months)	84	84	36
Repayment Frequency	Monthly		
Loan Size (Amount in Rs.)	0.15	0.04	0.07
Interest per annum	20.00%	21.00%	21.00%

## Operational Highlights

Particulars	H1FY2018	FY 2017	FY 2016	FY 2015
No. of states	3	1	1	1
No. of districts	10	7	5	5
No. of Town/Cities/Villages	35	30	28	28
No. of borrowers (SHG/JLG)	238	214	214	205
No. of active loans	238	214	214	205
No. of loan center / field officers	3	2	2	2
No. of employees	19	18	14	10
Total loan disbursements during the period (in crore)	13.57	8.85	8.08	7.06
Total loan portfolio outstanding (in crore)	31.24	20.28	15.51	12.32





---

**Industry & Business  
Outlook**



## Housing Finance

- ✓ India's housing finance industry mainly comprises Banks and Housing Finance Companies (HFCs), and to a certain limited extent, smaller institutions such as community-based organizations, self-help groups, etc.

## Affordable Housing

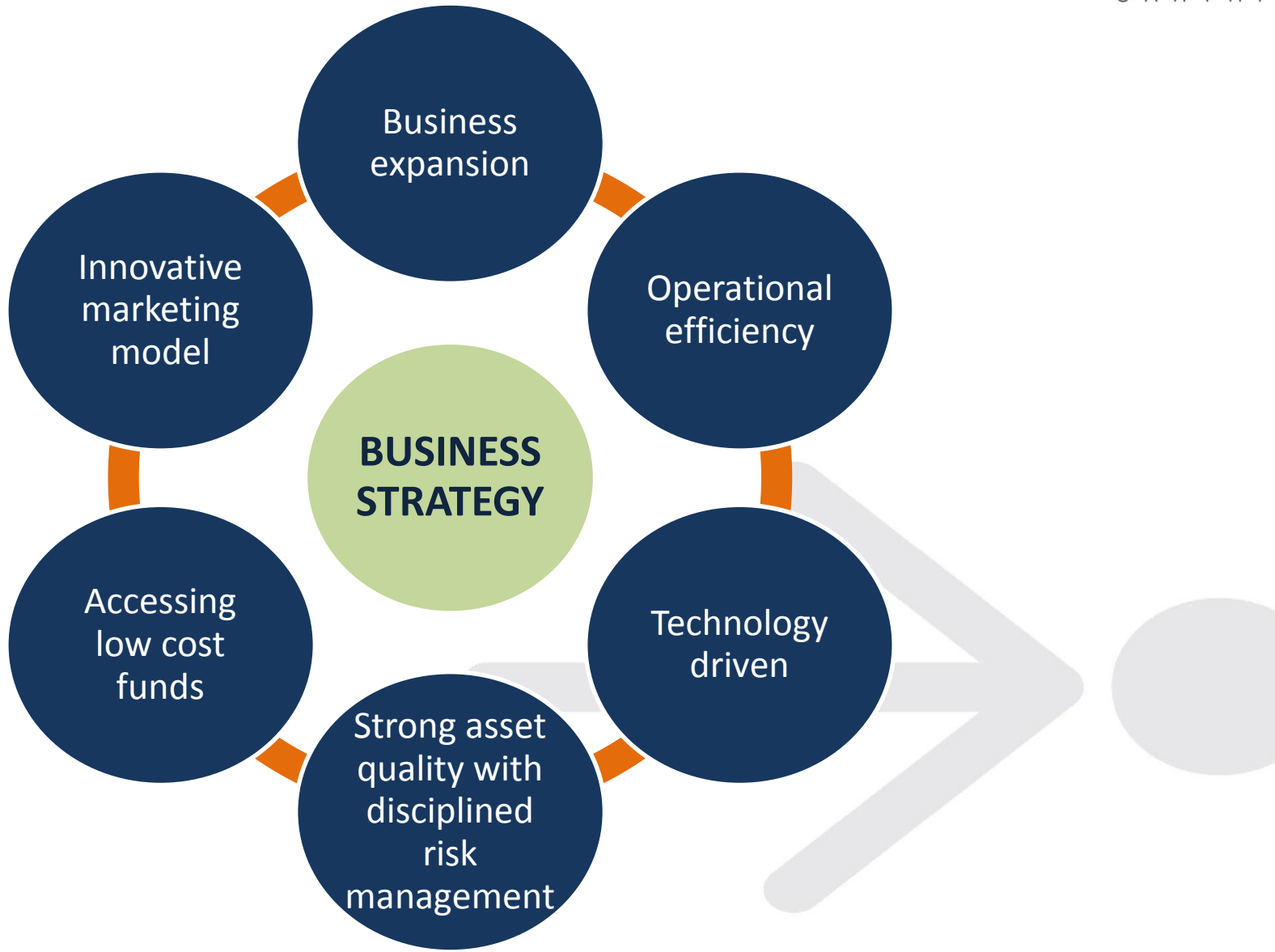
- ✓ India currently has a shortage of ~60mn housing units. This is expected to rise to 111 mn units by FY22. Urban housing is expected to account for ~85 to 90% of the total requirement, as people migrate to urban areas. Affordable urban housing is expected to constitute ~70% of the total requirement for urban housing. Further, of the total requirement of 111 mn.

## Awas Yojana

- ✓ Pradhan Mantri Awas Yojana (PMAY): The 'Housing for All (Urban)' mission for urban areas is being implemented during 2015-2022.

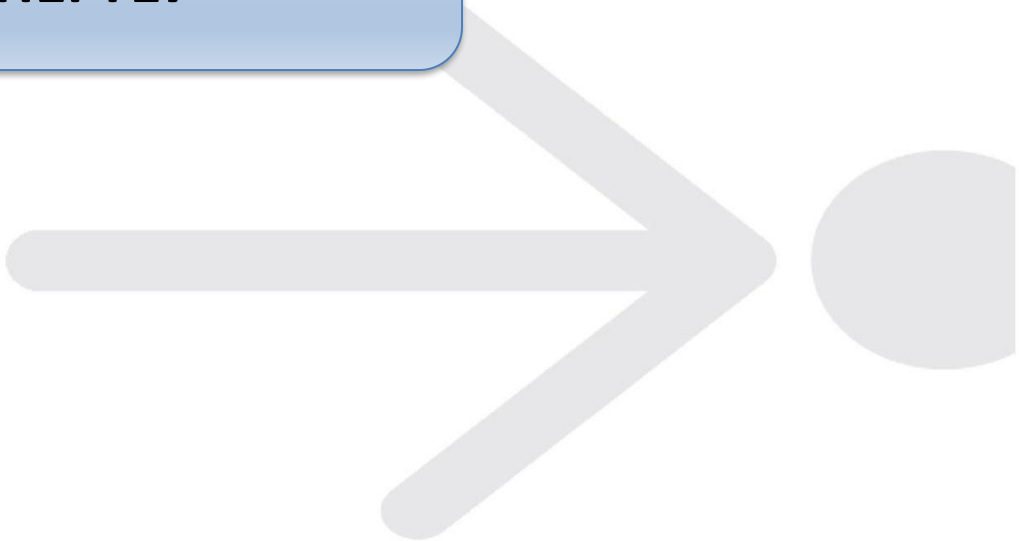
## Growth Drivers

- ✓ Rising disposable income, growth in population, tax benefits, increasing urbanization and Government initiatives are the key drivers of growth to the housing finance industry.

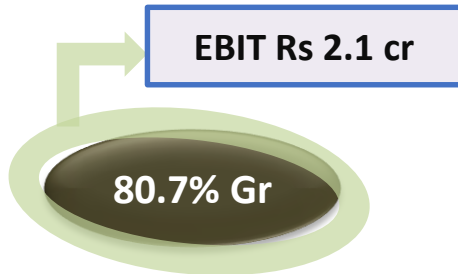
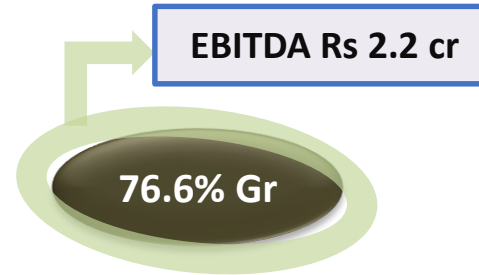
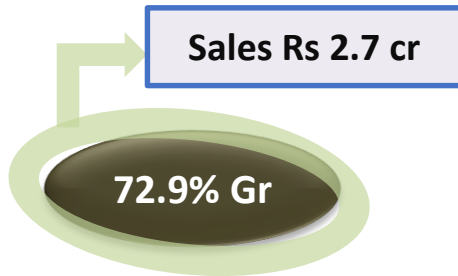


---

**Financials – H1FY18 Vs  
H1FY17**



# Highlights – H1FY18 Vs H1FY17 Figures in Rs cr



## Income Statement – H1FY18 Figures in Rs cr

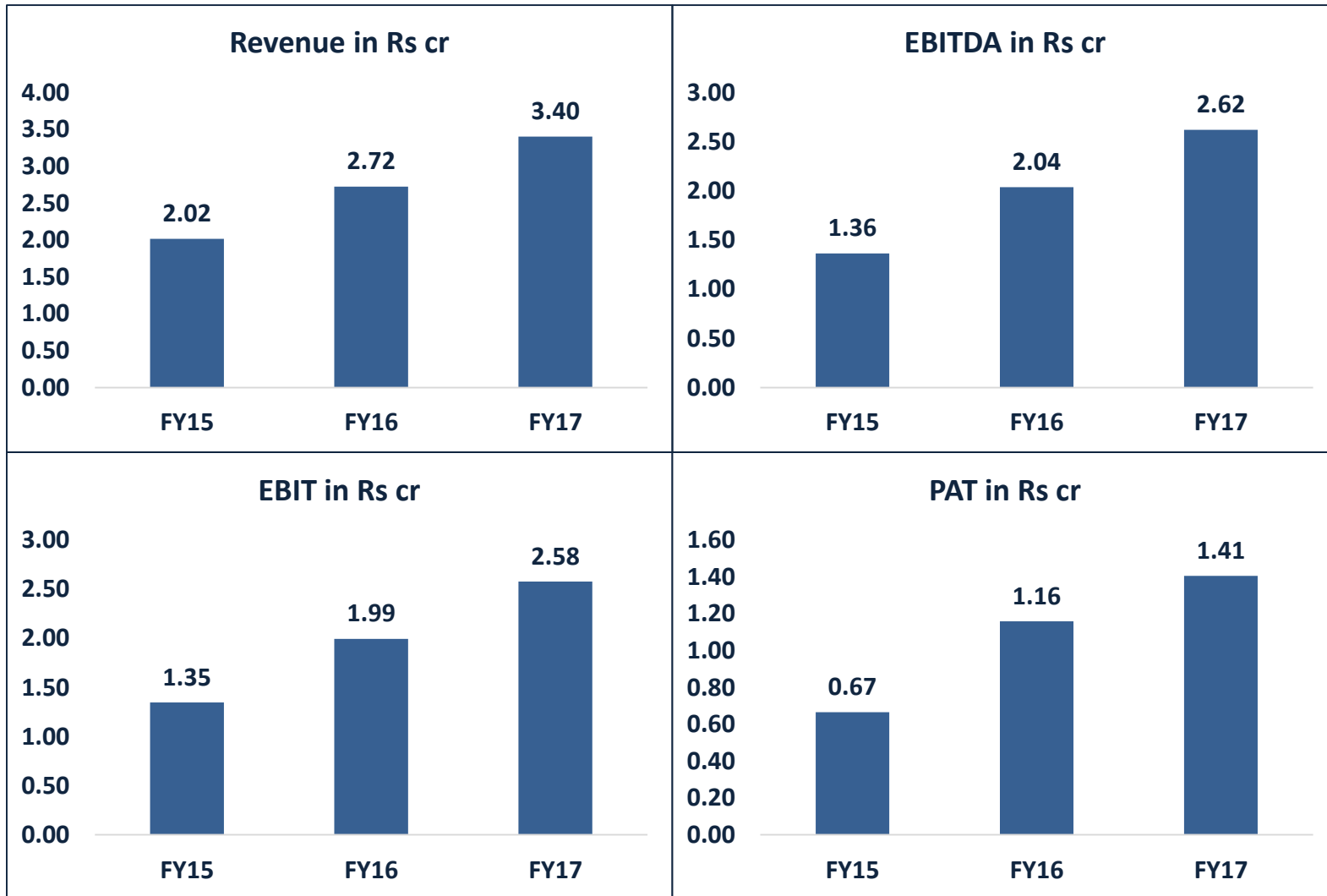
Income Statement	H1FY17	H1FY18	Gr Y-o-Y
<b>Sales</b>	<b>1.56</b>	<b>2.70</b>	<b>72.9%</b>
Expenditure:			
Employee Expenses	0.19	0.28	
Other Expenses	0.15	0.25	
<b>Total Expenditure</b>	<b>0.34</b>	<b>0.53</b>	<b>59.3%</b>
<b>EBITDA</b>	<b>1.23</b>	<b>2.17</b>	<b>76.6%</b>
Margin	80.5%	80.2%	
Depreciation	0.04	0.02	
<b>EBIT</b>	<b>1.19</b>	<b>2.15</b>	<b>80.7%</b>
Margin	78.1%	79.6%	
Finance Cost	0.14	0.45	
<b>EBT</b>	<b>1.05</b>	<b>1.70</b>	<b>62.6%</b>
Margin	68.9%	63.0%	
Taxes	0.30	0.46	
<b>PAT</b>	<b>0.75</b>	<b>1.24</b>	<b>66.1%</b>
Margin	49.7%	45.9%	

## Balance Sheet – H1FY18 Figures in Rs cr

Balance Sheet	HFY18
Equity Share capital	11.87
Share Capital	11.87
Reserve & Surplus	7.28
<b>Shareholders Funds</b>	<b>19.15</b>
Other long term liabilities	0.04
Long Term Loan	9.24
Long Term Provisions	0.32
Deffered Tax Liability	28.75
<b>Current Liabilities:</b>	
Short Term Borrowings	5.22
Trade Payables	0.00
Other Current Liabilities	2.51
Short term provisions	0.52
<b>Total Current Liabilities</b>	<b>8.25</b>
<b>Source of Funds</b>	<b>37.00</b>

Balance Sheet	HFY18
Fixed Assets	0.48
Loans & Advances	8.16
<b>Current Assets:</b>	
Current Investments	0.88
Inventories	0.00
Debtors	1.18
Cash & Equivalents	0.18
Other Current Assets	0.47
Loans & Advances	25.66
<b>Total Current Assets</b>	<b>28.36</b>
<b>Application of Funds</b>	<b>37.00</b>

# Financial Snapshot – Annual







# Financials

Rs. In Crs

Income Statement	FY15	FY16	FY17
Sales	2.02	2.72	3.40
<b>Expenditure:</b>			
Operating Expenses	0.00	0.00	0.00
Employee Expenses	0.33	0.37	0.42
Other Expenses	0.33	0.31	0.36
<b>Total Expenditure</b>	<b>0.66</b>	<b>0.68</b>	<b>0.78</b>
<b>EBITDA</b>	<b>1.36</b>	<b>2.04</b>	<b>2.62</b>
Depreciation	0.02	0.05	0.05
<b>EBIT</b>	<b>1.35</b>	<b>1.99</b>	<b>2.58</b>
Finance Cost	0.37	0.30	0.47
<b>EBT</b>	<b>0.98</b>	<b>1.69</b>	<b>2.10</b>
Taxes	0.31	0.53	0.70
<b>PAT</b>	<b>0.67</b>	<b>1.16</b>	<b>1.41</b>

Balance Sheet	FY15	FY16	FY17
Equity Share capital	5.93	5.93	11.87
Preference share capital	0.00	0.00	0.00
<b>Share Capital</b>	<b>5.93</b>	<b>5.93</b>	<b>11.87</b>
Reserve & Surplus	9.45	10.60	6.08
<b>Shareholders Funds</b>	<b>15.38</b>	<b>16.54</b>	<b>17.95</b>
Other long term liabilities	0.01	0.02	0.04
Long Term Loan	0.00	0.10	3.28
Long Term Provisions	0.12	0.14	0.21
Deffered Tax Liability	15.51	16.80	21.49
<b>Current Liabilities</b>			
Short Term Borrowings	2.73	1.17	2.58
Trade Payables	0.00	0.00	0.00
Other Current Liabilities	0.04	0.01	0.82
Short term provisions	0.12	0.16	0.10
<b>Total Current Liabilities</b>	<b>2.88</b>	<b>1.34</b>	<b>3.49</b>
<b>Source of Funds</b>	<b>18.39</b>	<b>18.14</b>	<b>24.97</b>
Fixed Assets	0.04	0.46	0.47
Loans & Advances	3.72	5.73	6.59
<b>Current Assets:</b>			
Current Investments	0.88	0.88	0.88
Inventories	0.00	0.00	0.00
Debtors	0.07	0.13	0.28
Cash & Equivalents	4.02	0.08	2.05
Other Current Assets	0.01	0.01	0.01
Loans & Advances	9.64	10.85	14.70
<b>Total Current Assets</b>	<b>14.63</b>	<b>11.94</b>	<b>17.91</b>
<b>Application of Funds</b>	<b>18.39</b>	<b>18.14</b>	<b>24.97</b>

# Ratio Analysis

---

Ratio Analysis	FY15	FY16	FY17
EBITDA Margin	67.5%	74.9%	77.1%
EBIT Margin	66.7%	73.2%	75.7%
EBT Margin	48.5%	62.2%	61.8%
PAT Margin	33.0%	42.6%	41.3%
RoCE	8.7%	12.0%	12.1%
RoNW	4.3%	7.0%	7.8%

## Disclaimer

*All data and information is provided for informational purposes only and is not intended for any factual use. It should not be considered as an offer of sale of services mentioned in this information memorandum. Neither Sarthi Capital Advisors Pvt. Ltd. (SCAPL) nor any of its group companies, directors, or employees shall be liable for any of the data or content provided for any actions taken in reliance thereon. Sarthi Capital Advisors Pvt. Ltd. is SEBI registered Category-1 Merchant Banker.*

*This document has been prepared by Sarthi Capital Advisors Pvt. Ltd. as a part of research only. In rendering this information, we assume and relied upon without independent verification, the accuracy and completeness of all information that was publicly available, the information has been obtained from the sources we believe to be reliable as to the accuracy or completeness. This information is given in good faith and we make no representations or warranties, express or implied as to the accuracy or completeness of the information and shall have no liability to you or your representatives resulting from use of this information.*

*This document contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements. Sarthi Capital Advisors Pvt. Ltd. cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.*

**HAPPY TO HELP....**



**SARTHI ADVISORS PRIVATE LIMITED**  
**Bridging the Gap**

**Corporate Headquarters:**

**Mumbai**

159/11, Amar Brass Compound, Vidhya Nagari Marg,  
Kalina, Santacruz(E), Mumbai-400098  
Landline: (022) 26528671-72, Fax: (022) 26528673

**Regional Office:**

**New Delhi**

411, Pratap Bhawan, 5 Bahadurshah Zafar Marg,  
New Delhi - 110002  
Landline: (011) 23739426 – 27, Fax: (011) 23739424