



Ref. No:

**BSE Limited**

**December 31<sup>ST</sup>, 2019**

Listing Compliances  
PJ Towers, Dalal Street,  
Mumbai – 400001, India

ISIN: INE526R01010  
SCRIP CODE: 539017  
SCRIP ID: ASHFL  
PAN NO. AAGCA1988C

**Sub: Investor Presentation**

Dear Sir/Madam,

With reference to above captioned subject, please find attached Investor presentation.

This is for your information and records.

Thanking you,

Yours faithfully,

**FOR, AKME STAR HOUSING FINANCE LIMITED**

**ASHISH JAIN**  
**MANAGING DIRECTOR**  
**DIN: 02041164**



**Registered Office:**

Akme Business Centre (ABC), 2nd Floor, 4-5, Subcity Centre,  
Savina Circle, Udaipur 313002 | Tel.: (0294) 2489501 / 02

**Corporate Office:**

Unit No. 708, Accord Classic, Station Road, Jayprakash Nagar,  
Goregaon East, Mumbai 400063 | Tel.: +91 8828 036610



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Corporate Overview

 [www.akmestarihfc.in](http://www.akmestarihfc.in)

### **Registered Office:**

*Akme Business Centre (ABC), 4-5 Subcity Centre Savina  
Circle, Udaipur - 313002, Rajasthan ☎ 0294-2489501/02/03*

### **Corporate Office:**

*708, Accord Classic, Goregaon East,  
Mumbai - 400063 ☎ +91 8828 036610*



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## About Akme Star HFC

- Founded by Late Shri. Mohan Lal Nagda and Shri. Nirmal Kumar Jain
- Incorporated in 2005 and commenced business operations in Sep 2009
- Shares listed on Bombay Stock Exchange (BSE) on March 2015
- Operates with a philosophy of Providing credit access to Lower and Middle Income segment predominantly in unchartered areas
- Qualified as a Primary Lending Institution under Pradhan Mantri Awas Yojana (PMAY)
- Loan book of Rs.65.21 crs with 767 live accounts as of September 30, 2019
- Credit lines from five public and private sector institutions with gearing of ~0.8x
- Long Term Credit Rating: ACUITE BBB-/Outlook: Stable

## Vision

*To let the people feel the warmth of their “own house” by delivering quality financial product both in appearance and content*

## Mission

*We want to be known as an organization where personal attention will never become obsolete  
We want to employ people who are extremely satisfied and go the extra mile for clients  
We want a culture of growth, profitability and enthusiasm throughout the company*

## Values

- Seeking Excellence
- Accountability & Ownership
- Teamwork & collaboration
- Integrity
- Nurturing Lives



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Key Management Overview



**Shri. Nirmal K Jain**

- Shri Nirmal Kumar Jain, founder member Akme Group and Executive Director of Akme star HFC
- He is a C.A. and Cost Accountant by qualification
- Mr. Jain has been awarded “Yuva Gaurav” by Mahaveer Yuva Sansthan, Udaipur and “Business Leader Corporate” 2nd Rank by Institute of Chartered Accountants of India



**Shri. Ashish Jain**

- Shri Ashish Jain is a mortgage professional and second generation of promoters of Akme Group
- Shri Ashish is the Chairman and Managing Director of Akme Star HFC and is responsible for steering the growth of the Company
- Shri Ashish is a B.E. and did M.Sc. from London

Name	Designation
Shri. B S Kacchawaha	Chief Financial Officer
Shri. Natesh Narayanan	Head - Fund Management
Shri. Kalpesh R Dave	Head - Corp. Plan and Strategy
Shri. Ashish Kothari	Business Head - Rajasthan
Shri. D S Bala	Business Head - Mumbai
Shri. Paritosh Kothari	Company Secretary

## Our Presence

Udaipur

Mumbai

Pune

Akola

Indore

Ratlam

Ahmedabad

Surat

Chennai

*Cumulative experience of more than 125 years in Financial services space*



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Core Values

*More than 1100 customers have reposed their faith in Akme Star HFC towards availment of housing finance assistance towards purchase of their own home*

Create value for all stakeholders of Akme Star HFC, be it customers, vendors or employees

***Nurturing Lives***

*"Do it better together"*

***Teamwork and Collaboration***

Strength and Stability - both Moral & Financial

***Integrity***

Answerability and responsibility for the outcome of the task at hand

***Accountability & Ownership***

Perfection and Excellence leading to Sustained growth of Akme Star HFC

***Seeking Excellence***

*Akme Star HFC has been build on these values and validated by the trust of the customers:*

**एकमे है तो भरोसा है**



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Journey and Milestones

**Mar 2005**

Incorporated with the objective to provide housing loans to target EWS/LIG segment

**Mar 2015**

Akme Star HFC gets Listed on SME platform of the Bombay Stock Exchange (BSE)

**Jun 2019**

Gets into strategic partnership with Arkfin Invt. Pvt Ltd (AIPL) with an aim to initiate overall transformation

**Dec 2009**

Received CoR from National Housing Bank (NHB). Initiates business operations in Rajasthan as Akme Star HFC

**July 2017**

Stock migrates to BSE Main board. Shares of Akme Star HFC get traded on Bombay Stock Exchange (BSE)

**Oct 2019**

AIPL invests incremental capital in Akme Star HFC thereby acquiring 21.5% stake in the Company

### *Gearing up for next level of Growth*

**Nov 2019-Till Date**

- Deployment of lending suite & mobility apps
- Expansion of physical presence to Maharashtra, Madhya Pradesh & Tamil Nadu (Head Office in Mumbai)
- On Boarding of experienced mgmt. team to augment overall business



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

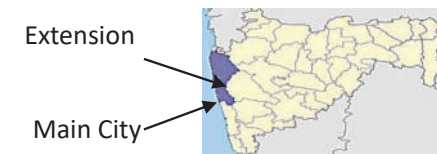
## Target Customer Segment (Income)

## Target Geographies

<b>HIG</b>	> 18 Lacs
<b>MIG-II</b>	12-18 Lacs
<b>MIG-I</b>	6-12 Lacs
<b>LIG</b>	3-6 Lacs
<b>EWS</b>	Up to 3 Lacs

<b>Informal Income</b>	<b>Semi Formal Income</b>	<b>Formal Income</b>
Income needs to be assessed	Blend of documented and assessed income	Fully documented income

Extended Suburbs of Metros/Urban Agglomerations



Satellite towns of urban centres



Tier II, Tier III and Tier IV cities



\*classification as per PMAY guidelines

## Product Offerings

Home loans (New Purchase/Resale)

Home Extension loans

Construction loans

Home Improvement loans

Composite loans

Non Housing loans

Residential Real Estate Developer loans (Low Cost Housing Space)



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Product Offerings

Products	Home Purchase Loans		Construction Loans	Improvement / Extension Loans	Balance Transfer Loans
<b>Purpose</b>	Purchase of New unit from developer	Purchase of resale (existing) unit	Construction of housing unit on own land	Upgradation/modification of existing housing unit	Takeover of housing loan from an approved financier
<b>Collateral</b>	<i>Underlying housing unit to be purchased/constructed/upgraded/modified</i>				
<b>Disbursement Mode</b>	Bullet	Bullet	Staggered with stage of construction	Staggered with stage of upgradation/modification	Bullet
<b>Ticket Size (Rs.)</b>	2-25 lakhs	2-25 lakhs	2-25 lakhs	2-15 lakhs	2-20 lakhs
<b>LTV</b>	Up to 80%	Up to 80%	Up to 80%	Up to 80%	Up to 70%
<b>Loan Tenure</b>	Minimum: 5 years; Maximum: 20 years				
<b>Repayment</b>	Equated Monthly Instalments				

***Akme Star HFC has a range of retail financing products to cater to the financing needs of EWS/LIG customers towards purchase of housing units***



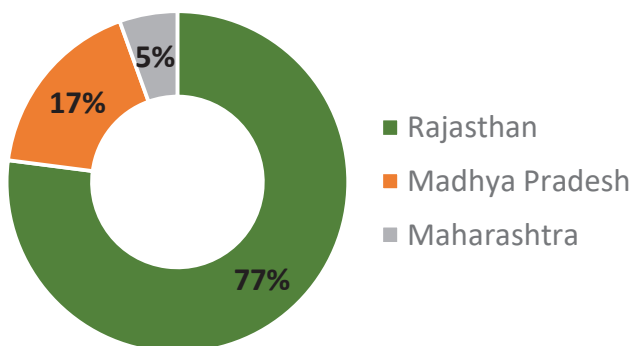


# Akme Star Housing Finance Limited

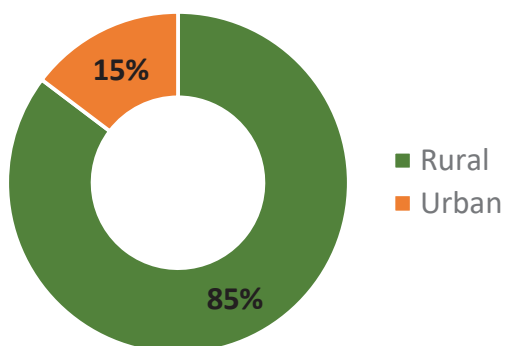
*We do not tender Loans, We tender Happiness*

## Loan Book Overview (As of Sep 30, 2019)

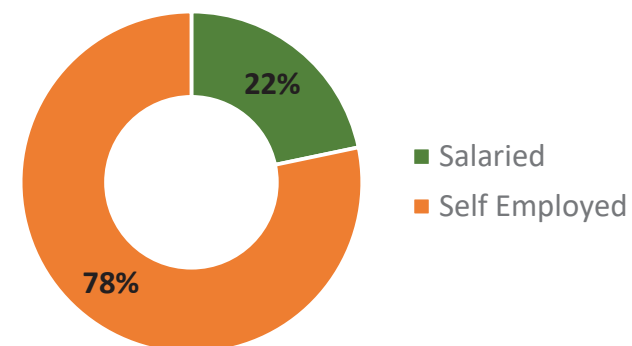
### Geographical Split\*



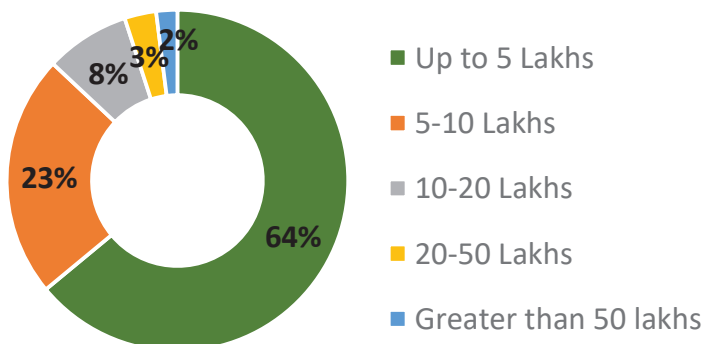
### Urban vs. Rural Split



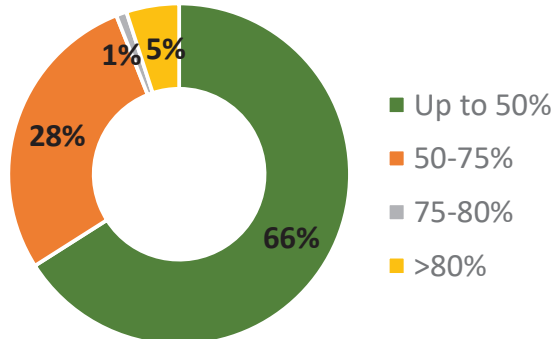
### Occupation Type Split



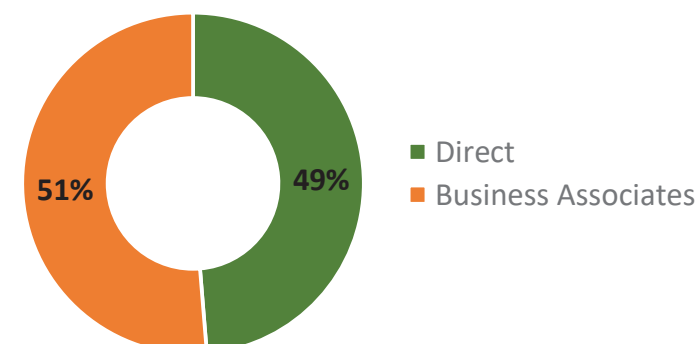
### Ticket Size Split



### Loan to Value Split\*



### Sourcing Split\*



\*Calculated on Loan Amt Outstanding. Rest of the splits are calculated on the no. of live accounts for meaningful representation



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Shareholding Details (As on Sep 30, 2019)

Category of shareholder*	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares
(A) Promoter & Promoter Group	32	63,62,100	63,62,100	52.67
(B) Public	747	57,16,900	57,16,900	47.33
(C1) Shares underlying DRs				0.00
(C2) Shares held by Employee Trust				0.00
(C) Non Promoter-Non Public				0.00
<b>Grand Total</b>	<b>779</b>	<b>1,20,79,000</b>	<b>1,20,79,000</b>	<b>100.00</b>

**As on Dec 27, 2019**  
**Closing Share Price: Rs.72.40**  
**Market Cap: Rs.113.48 crs**  
**Book Value per Share: Rs.28.28**  
**EPS: Rs.3.57**  
**Price/Book: 2.56x**  
**P/E: 20.45x**

\*Arkfin Investments Private Limited (AIPL) has infused incremental capital of Rs.15.5 crs in Akme Star HFC on 25<sup>th</sup> October 2019 and has acquired 21.5% stake in the expanded capital of the Company



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Key Financials

Profit & Loss Statement (In Crs.)	FY'17-18	FY'18-19	H1'2019
<b>Income</b>			
Interest Income	6.59	11.18	7.03
Fee Based & Other Income	0.46	0.63	0.27
<b>Total Income</b>	<b>7.06</b>	<b>11.80</b>	<b>7.30</b>
<b>Expense</b>			
Interest Expense	1.71	4.42	2.53
Salary Expense	0.70	0.75	0.74
Commissions and Payouts	0.00	0.09	-
Operating Expense	0.46	0.39	0.46
Depreciation	0.04	0.03	0.012
Provision for NPAs	0.15	0.14	
<b>Total Expense</b>	<b>3.06</b>	<b>5.82</b>	<b>4.00</b>
<b>Profit Before Tax</b>	<b>4.00</b>	<b>5.98</b>	<b>3.29</b>
Tax / Provision for Tax	1.11	1.66	0.70
<b>Profit After Tax</b>	<b>2.90</b>	<b>4.32</b>	<b>2.59</b>

Balance Sheet Statement (In Crs.) as on	Mar 31, 2018	Mar 31, 2019	Sep 30, 2019
<b>Sources of Funds</b>			
Equity	12.1	12.1	12.3
Reserves and Surplus	11.0	15.4	18.8
<b>Total Net Worth</b>	<b>23.1</b>	<b>27.4</b>	<b>31.1</b>
Loan Funds	29.6	42.0	40.1
<b>Total Sources of Funds</b>	<b>52.6</b>	<b>69.4</b>	<b>71.2</b>
<b>Application of Funds</b>			
Fixed Assets	0.5	0.4	0.5
Loans & Advances	49.2	64.1	65.2
Others	3.0	4.9	5.5
<b>Total Application of Funds</b>	<b>52.6</b>	<b>69.4</b>	<b>71.2</b>

**Stable Liquidity Profile**  
Relationship with PSU Banks  
and Financial Institutions.  
Total Sanctioned limits of  
Rs.55 crs  
Long Term Credit Rating:  
ACUITE BBB-/Outlook: Stable

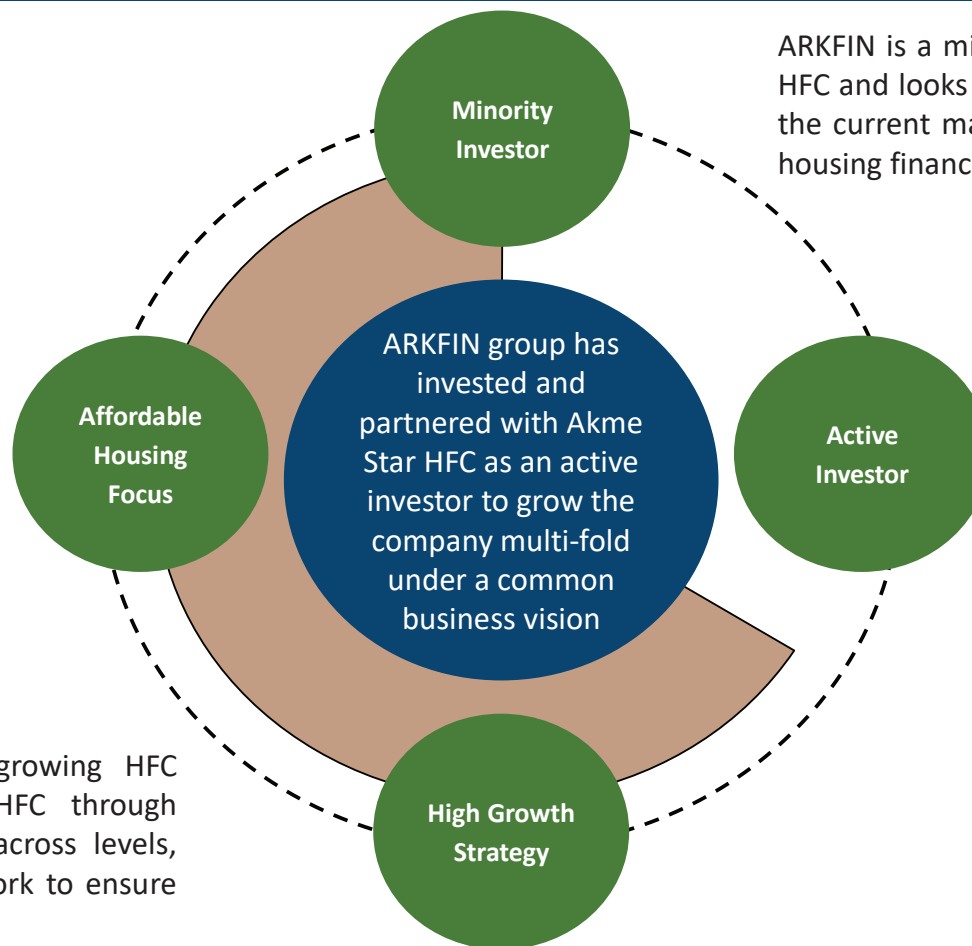
**Key Ratios (for FY'18-19)**  
Return on Equity: 17.09%  
Leverage (x): 1.53  
Cost to Income Ratio: 16.61%  
GNPA: 1.72% NNPA: 1.36%



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## ARKFIN's Strategic Investment as an Active Investor



Affordable Housing focus of Akme Star HFC will be further strengthened through this investment partnership – focusing on LIG and EWS category in urban outskirts and Tier II, III and IV cities

ARKFIN is a minority investor in Akme Star HFC and looks for a long term journey with the current management in retail low cost housing finance space

- ARKFIN intends to actively participate with the management in Akme Star HFC
- ARKFIN seeks to leverage its members' deep industry experience to support the company's operations

ARKFIN intends to use its experience of growing HFC business enabling growth of Akme Star HFC through geographical expansion, experienced mgmt. across levels, leveraging technology and robust risk framework to ensure growth backed by quality



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Taking Definitive Steps towards Transformation

Journey Till Mar 2019	Actionable	Resulting Into
<ul style="list-style-type: none"> <li>• A decade in business operations</li> <li>• Equity base of Rs.27 crs</li> <li>• Shares listed on BSE</li> <li>• Consistently making profits</li> </ul>	Issuance of 21.5% additional shares to Arkfin group	Incremental addition of Rs.15.5 crs capital
Loan Book of Rs.63.27 crs with 682 live accounts. GNPA of 1.72%	Planning of business ramp up targeting loan book of Rs.100 crs	Expansion of geography from Rajasthan to Madhya Pradesh, Gujarat, Maharashtra and Tamil Nadu
Business operations through customized lending suite	<ul style="list-style-type: none"> <li>• Deployment of Jaguar (core lending platform)</li> <li>• Deployment of credility (mobility solution)</li> </ul>	<ul style="list-style-type: none"> <li>• End to end processes covered through technology</li> <li>• Mobility enables efficient processing and handling increased volumes</li> </ul>
Focus on Self Employed customer profile in the state of Rajasthan	<ul style="list-style-type: none"> <li>• Focused lending under PMAY</li> <li>• Customer mix of 60:40 (SE: Sal)</li> <li>• Average Loan size: Rs.10 lakhs</li> </ul>	<ul style="list-style-type: none"> <li>• Loans qualifying under Priority Sector Lending (PSL)</li> <li>• Customers benefiting from Govt. policies</li> </ul>
Currently having liability program with five public and private financial institutions	<ul style="list-style-type: none"> <li>• NHB Refinance availment</li> <li>• Adding more PSU Banks</li> <li>• Adding more Pvt. Banks / FIs</li> </ul>	<ul style="list-style-type: none"> <li>• Lowering cost of Funds</li> <li>• ALM matching</li> <li>• Diversified liability program</li> </ul>



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Key Additions to Akme Star HFC from ARKFIN



- More than 15 years of experience in liability / funding side of the business
- A known name in the industry, he has nurtured relationships with bankers, fund managers, business associates, and rating agencies
- He carries a mandate to strengthen the liability side of business in line with long term business plan

**Natesh Narayanan**

**Head Fund Management**



- Mr. Kalpesh has more than 12 years of experience in financial services space with a proven track record in planning and strategy
- Strong skill set to enable scale up of overall business operations and seamless execution of strategic initiatives
- Expected to play a meaningful role in the transformation and build up phase of Akme star HFC

**Kalpesh R Dave**

**Head Corporate Planning & Strategy**



- A veteran with more than three decades of experience in retail small ticket lending
- Has been responsible for discovering micro markets in Mumbai Metropolitan region (MMR)
- Responsible for establishing and scaling up business in MMR

**Dhanwant Singh Bala**  
**Head Mumbai**



- More than two decades experience in states of Tamil Nadu and Kerala
- Understands the dynamics of local markets and has been successful in building a franchise
- Has developed high quality loan book in these states in previous associations

**Rajesh Gopinath**  
**Head Tamil Nadu**



- A Veteran in Madhya Pradesh housing finance market with more than three decades of experience
- Has developed key relationships all stakeholders including reputed developers, business associates, and finance professionals

**Shakir Sheikh**  
**Mentor, Madhya Pradesh**

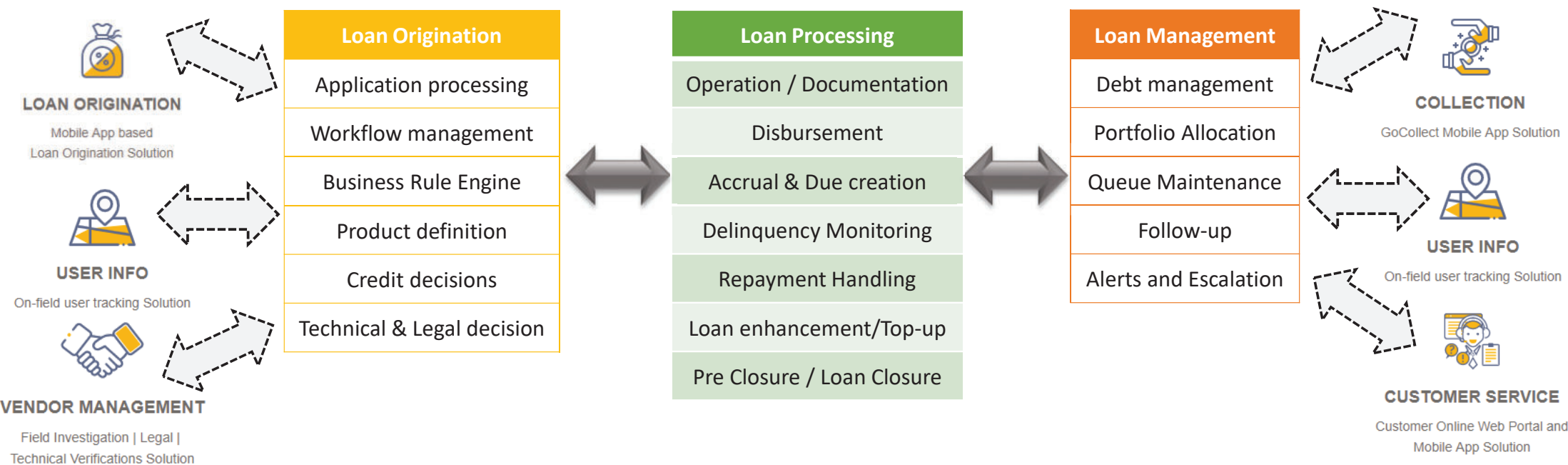


# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Core Lending Suite Supported by Enterprise Mobility Solutions

- A holistic technology platform to support processing through core lending suite supported by enterprise mobility solutions
- A comprehensive and integrated loan management system that can address day to day operational challenges in a strategic manner
- A flexible, secured, high available technology platform offering dynamic work environment to the end users including - the management, operations, customer and 3<sup>rd</sup> parties involved
- Enterprise Mobility Solutions deployed to improve efficiency and streamline processing on mobile





# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

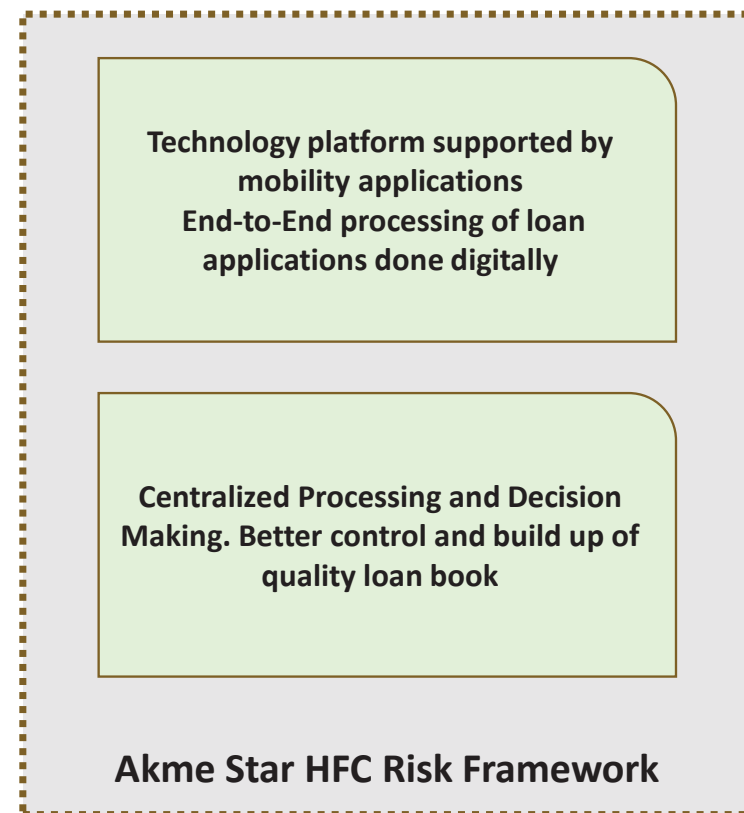
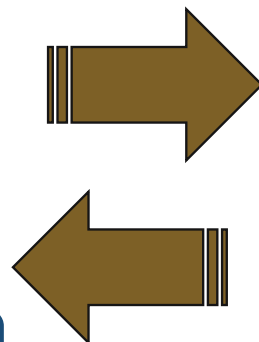
## Creation of Robust Business Model

- Traditional brick and mortar presence at selected locations
- Business sourcing through In-house team and supplemented by business associates



- Manned by Resident Officer operating from own premises
- The officer in charge is responsible for business and managing the portfolio

- On site presence across pre-approved projects
- Direct business sourcing through collaboration with the associated developer in residential space







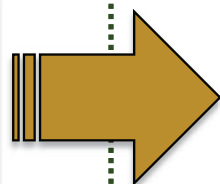
# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Transformation through Business Development Initiatives

### Reaching out to:

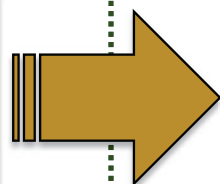
- Builders / Developers
- Quality sales profiles: to strengthen in house sourcing
- Business Associates (DSA / Connectors)
- Insurance partners (Life/Non Life/Health)
- Third Party associates (Legal/Technical)
- Key business vendors



- Increased presence across key affordable housing projects across locations
- Enhanced direct sourcing from relationships
- Strong In house sales team supplemented by increased traction from business associates in DSA driven markets
- Rationalization of legal/technical related expenses and key opex. line items through relationship mgmt.

### Marketing/Branding

- Presence on digital platform: social media (LinkedIn / Facebook / twitter), website and online marketplace
- On ground venue/lane mktg: Loan Mela, Loan on Wheels, spot sanction drive, medical check up camps
- Print/TV media at local and regional level
- Participation in summits, property fair/exhibitions



- Enhanced enquiries, allocation of leads to branches and follow up
- Measurable efficacy of the on ground branding efforts through enquiries, lead generation and subsequent conversion (Branch / Unit head is responsible)

Clear focus on establishing Akme Star HFC as a customer centric and tech enabled meaningful player in low ticket affordable housing finance space across major markets

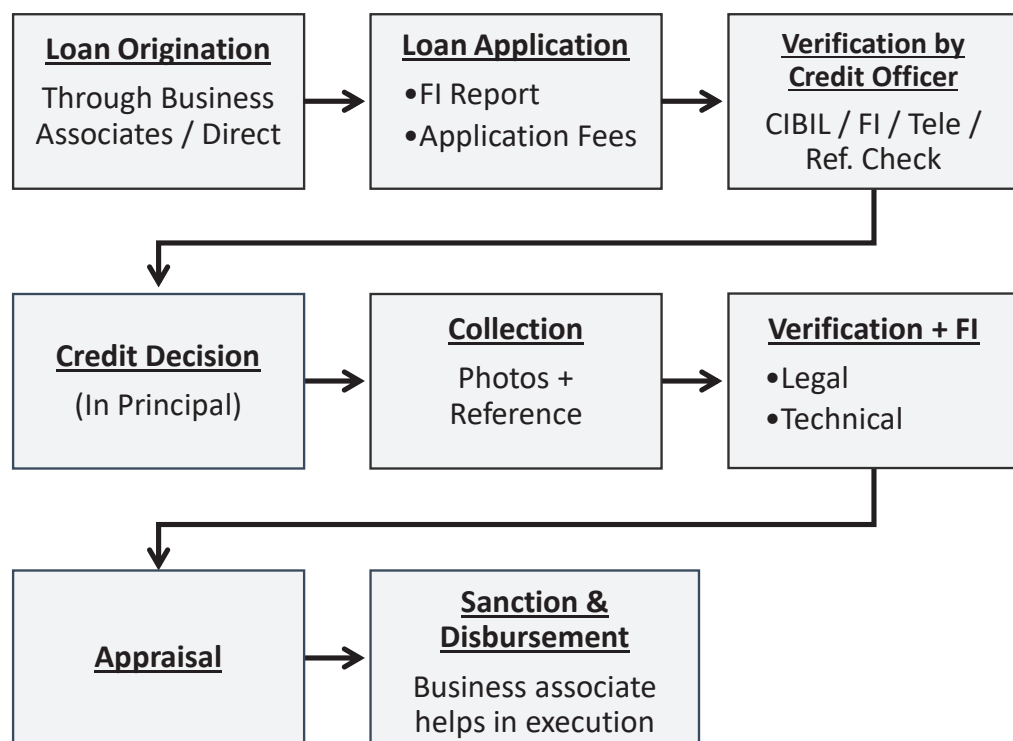


# Akme Star Housing Finance Limited

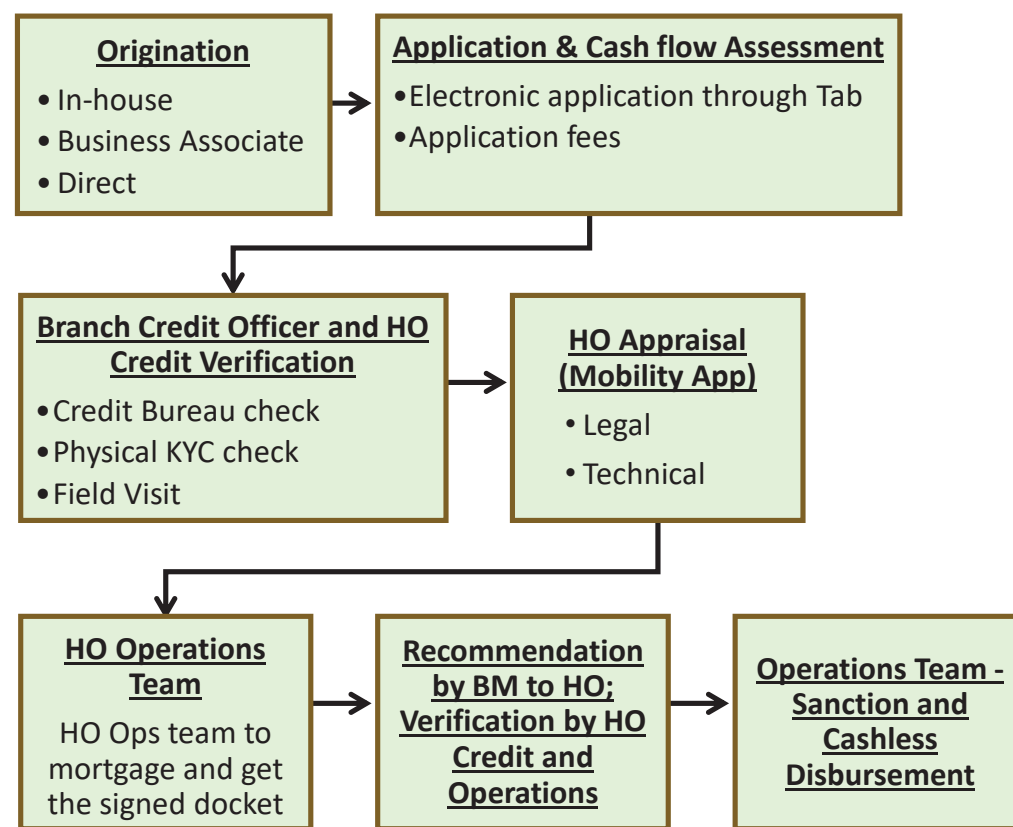
*We do not tender Loans, We tender Happiness*

## Transformation of Loan Origination and Disbursement Cycle

### Current Process



### Way Forward





# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Holistic Risk Management



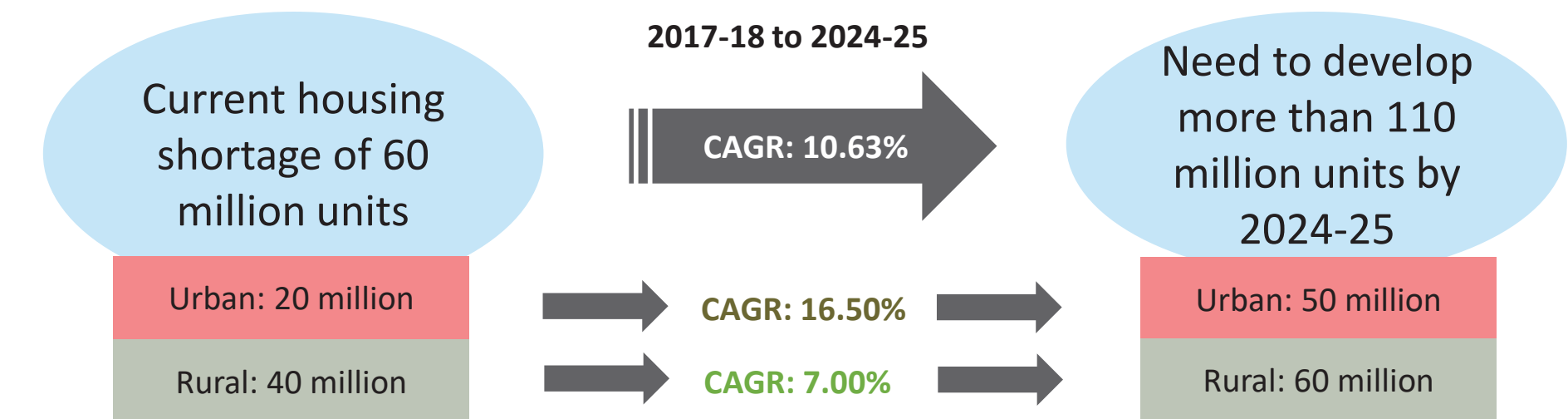
- Identification and isolation of business risks through a. centralized decision making set up b. digital platform c. capturing data related to business risk through data science enabling strategic alignment through changes in policies and guidelines
- Engagement with internal/external stakeholders to ensure book is without systemic anomalies/surprises on sustainable basis



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Demand for 25 mn housing units



- Projected investment of more than \$2 trillion in housing and 250+ ancillary industries
- Urban housing to account for 85-90% of the total projected investment
- Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Uttar Pradesh to form more than 3/4<sup>th</sup> of the total housing requirements
- Low Cost housing units (up to Rs.40 lakhs) for LIG households constitute more than half of urban housing requirements

**This translates to current latent demand of more than 10 mn low cost housing units and projected demand of more than 25 mn low cost housing units by 2024-25**



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

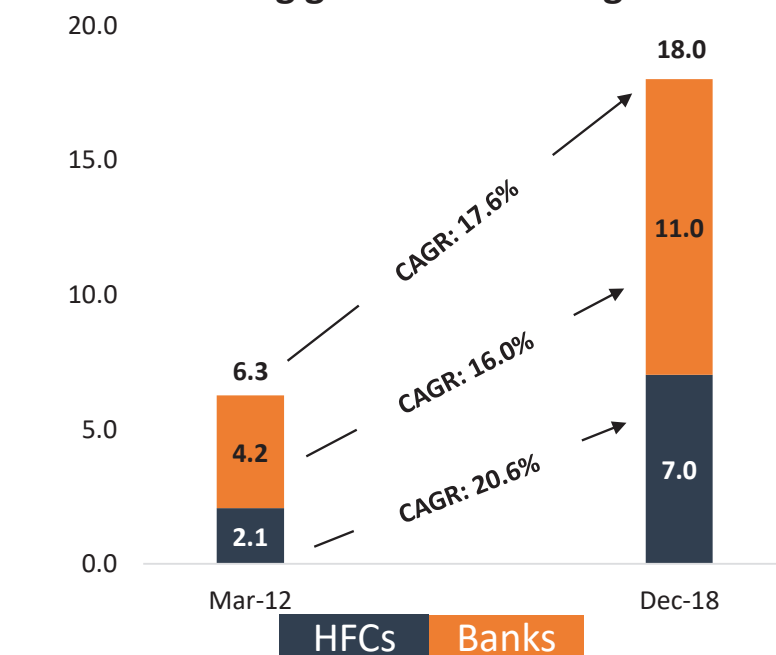
## Indian Housing Finance Sector Overview: A \$400 Bn business opportunity

The HFC space is expected to grow at 16-18% CAGR over the next 10 years

Total credit outstanding at Rs. 18 trillion as of December 31, 2018

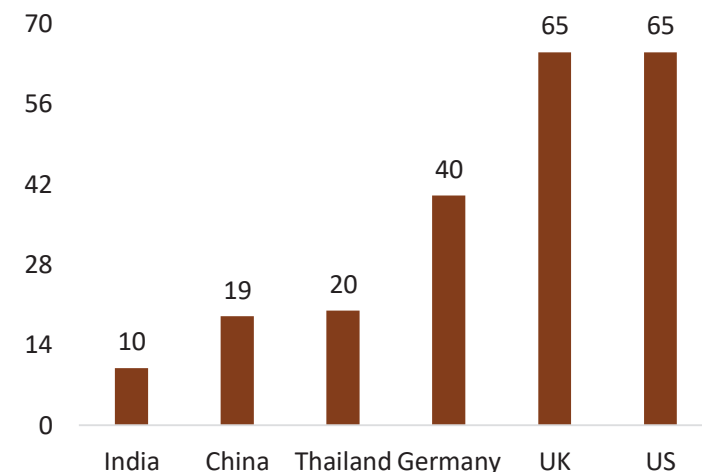
HFC-retail credit grew by CAGR of 17.6% for the period Mar-12 to Dec-18

### Strong growth in Housing Credit



- HFCs have outpaced Banks in growth
- HFCs have Gained market share (currently at 39%) over the years
- HFCs are expected to continue the same performance in the next decade

### Mortgage to GDP ratio for India remains comparatively lower...



### ...Reflecting enormous potential for further growth

- Industry to exhibit 16-18% CAGR for the next 10 years
- Projected 30% CAGR for HFCs in affordable space
- Housing credit outstanding to be doubled by 2024-25
- Housing credit to GDP ratio to increase to 14-15%

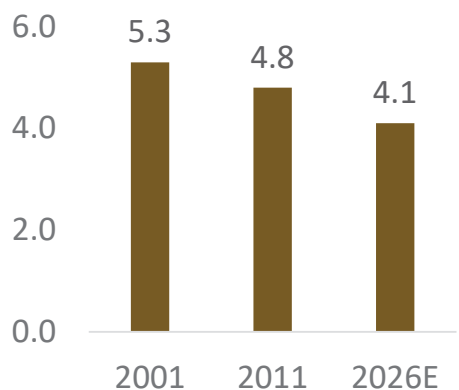


# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

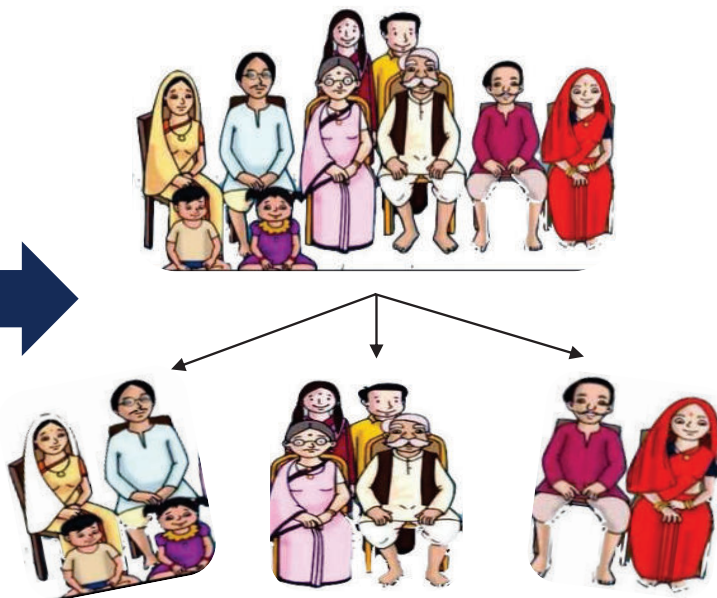
## Indian Housing Finance Sector Overview: Rising Nuclear Families

Traditional large joint families are breaking up into small nuclear families



No. of People per Family

Source: ICRA mortgage market report, Industry reports



3 BHK



2 BHK



1 BHK



- Modern day space/ privacy needs lead to constant upgrades to larger apartments
- This process gives Housing Finance opportunity at all transaction levels

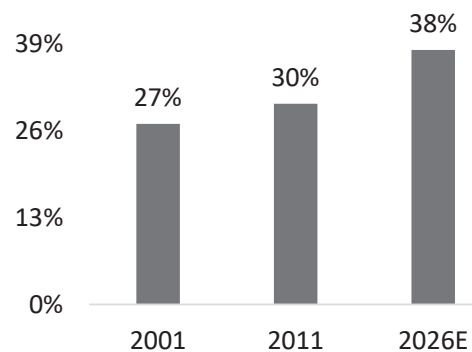


# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Migration / Upgrade

### Rising Urban Population



### % of population residing in urban areas

Source: ICRA mortgage market report, Industry reports



Migration to Urban areas



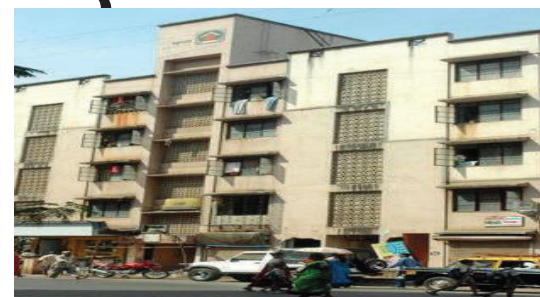
Usual Entry Level Housing



First Upgrade from Slum



Third Upgrade



Second Upgrade

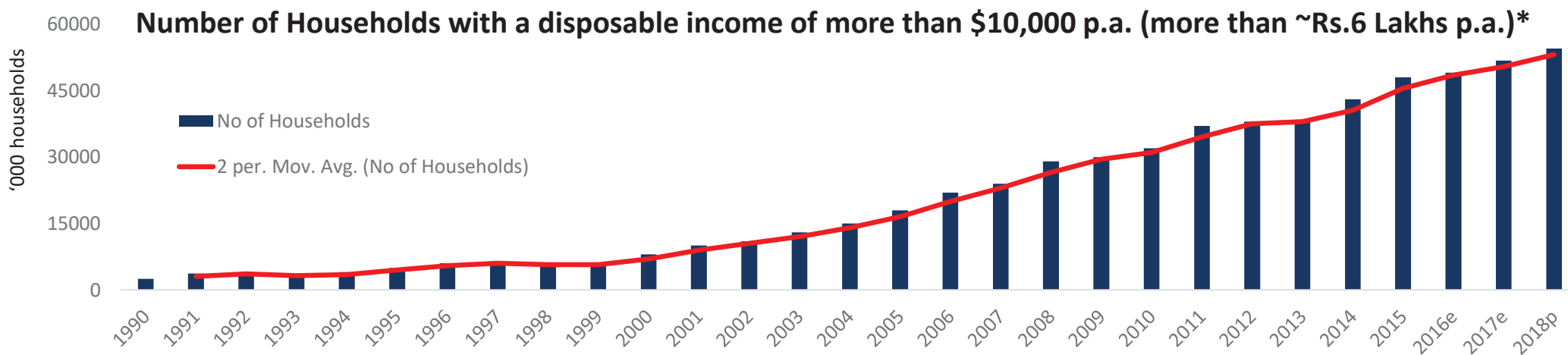
- Relentless migration has given rise to Slums in most large cities
- HFCs are involved right from the first upgrade
- Every transaction thereon presents additional funding opportunity



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Increase in Income Levels



Source: Euromonitor International/UN. Avg. exchange rate of ~Rs.60 = 1USD. Average of daily rates for the period Sep 2010-Sep 2018

- Households having disposable income of more than Rs.6 Lakhs p.a. increased from 2.5 mn in 1990 to more than 50 mn in 2017-18
- This increase has transformed India into a middle class society within two and a half decades of liberalization

### Impact

1. Upsurge in the number of first time home buyers looking to purchase an own home
2. Resultant increase in the demand for housing units especially in the 25-50 lakh price unit segment across the fringes of metros, semi urban and satellite centres
3. Enormous potential for financiers with a positive long term outlook as Indian middle class is set to expand in future





# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Increased Govt. Support

### Government of India's Flagship Program "Housing for All" Pradhan Mantri Awas Yojana (PMAY)

#### Supply Side Intervention Schemes

- In-Situ slum redevelopment: Utilization of land under slum
- Affordable housing in partnership with private and public sector

#### Demand Side Intervention Schemes

- Credit Linked Subsidy Scheme (CLSS)
- Subsidy for Beneficiary-led individual house construction / enhancement

**Target to construct 20 million houses targeting EWS/LIG/MIG households**  
**Projected financial assistance of Rs.2,000 bn till 2022 from central government**

#### Enhanced Budgetary and other Support

- Infrastructure status accorded to affordable housing sector
- Benami Transactions (Prohibition) Amended Act, 2016
- Implementation of Real Estate Development and Regulation Act (RERA)
- Real estate transactions brought under the ambit of Goods and Services Tax (GST)



Enhanced flow of credit to the sector

Increased transparency, accountability and speedy redressal of disputes

Source: MHUPA website, Press release



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Robust Regulatory Environment

- Govt. has pushed for a common regulator for Banks, NBFCs and HFCs
- Despite at lower levels of mortgage penetration which preclude a possibility of major meltdown, the Regulator has learnt from the pitfalls of developed countries and has put in place several checks and measures through a) exposure limits, b) asset quality and c) capital requirements

**LTV and Risk Weights:  
A move to ensure  
adequate capital  
buffer**

Loan Value	LTV	Risk Weight
Up to Rs.30 lakhs	Less than 80%	35%
Up to Rs.30 lakhs	80-90%	50%
Rs.30-75 lakhs	Up to 80%	35%
Greater than Rs.75 lakhs	Less than 75%	50%
Other housing loans (Not qualified in above)		100%

**Provisioning norms:  
Tightening the belts to  
avoid any leakages**

Loan Category	Standard Asset Provisioning
Individual housing loans	0.25%
Commercial real estate residential housing	0.75%
Commercial real estate	1.00%

**Provisioning norms:  
Conservative approach towards provisioning for NPAs**

NPA Type	No of Days	Provision
Substandard Assets	91-455 days	15%
Doubtful Assets		
Up to 1 year	456 days to 820 days	25%
1-3 years	821 days to 1550 days	40%
Greater than 3 years	1551 days and above	100%
Loss Assets	-	100%

Source: NHB website, ICRA mortgage market report



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

## Indian Housing Finance Sector Overview: Reforms Paving the Way

### Regulation

Infrastructure status  
accorded to Affordable  
Housing

Benami Transactions  
(Prohibition)  
Amended Act, 2016

Real Estate  
Development and  
Regulation Act (RERA)

Goods and  
Services Tax  
(GST)

Insolvency and  
Bankruptcy code

### Impact

- Enhanced flow of credit to the sector
- Lowering of borrowing cost at the project level
- Simplification of approval processes

- Minimization of fraud / collusion
- Greater transparency
- Keeps questionable entities at bay

- Increases transparency
- Imposes greater accountability
- Protects the interests of home buyers

- Replaces multi layered taxation with single tax
- GST @ 5% for under constn. projects and @ 1% for affordable housing projects

- Brings seriousness to resolve bad loans
- Treats home buyers as creditors (at par with FIs)
- Strict vigilance over developer in case of default



# Akme Star Housing Finance Limited

*We do not tender Loans, We tender Happiness*

This presentation may contain statements about events and expectations that may be “forward-looking,” including those relating to general business plans and overall growth strategy of Akme Star Housing Finance Limited (“Akme Star HFC”) and its associated/subsidiaries/JVs, its future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of risks and uncertainties, including future changes or developments in Akme Star HFC and its associates/subsidiaries/JVs, its competitive environment, its ability to implement its strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in the Country. All financial data in this presentation is obtained from the Financial Statements for FY’2017-18, FY’2018-19 and Apr-Sep 2019 on the basis of which key ratios are calculated.

The purpose of this presentation is to provide general information to prospective investors in a manner to assist them in making investment decision. It does not purport to contain all the information that the prospective investor may require.

The presentation is made for informational purposes only and should not be regarded as an official opinion of any kind or a recommendation. It does not constitute an offer, solicitation or an invitation to the public in general to invest in Akme Star HFC. This presentation is intended for the use of prospective investors only to whom it is addressed and who is willing and eligible to invest in Akme Star HFC. The information contained in this presentation is obtained from sources believed to be reliable. We do not represent that any information, including third party information, is accurate or complete and it should not be relied upon without proper investigation on the part of investor(s).

Akme Star HFC or any of its director(s) or employees does not assure/give guarantee for any accuracy of any of the facts/interpretations in this document, and shall not be liable to any person including the beneficiary for any claim or demand for damages or otherwise in relation to this opinion or its contents.

All investors must consider the risk factors, do their own analysis and/or avail expert professional help to arrive at an investment decision.

**Thank You**

**Email Id:**  
info@akmestarihfc.in

**Contact details:**  
Kalpesh R Dave: 9152021863