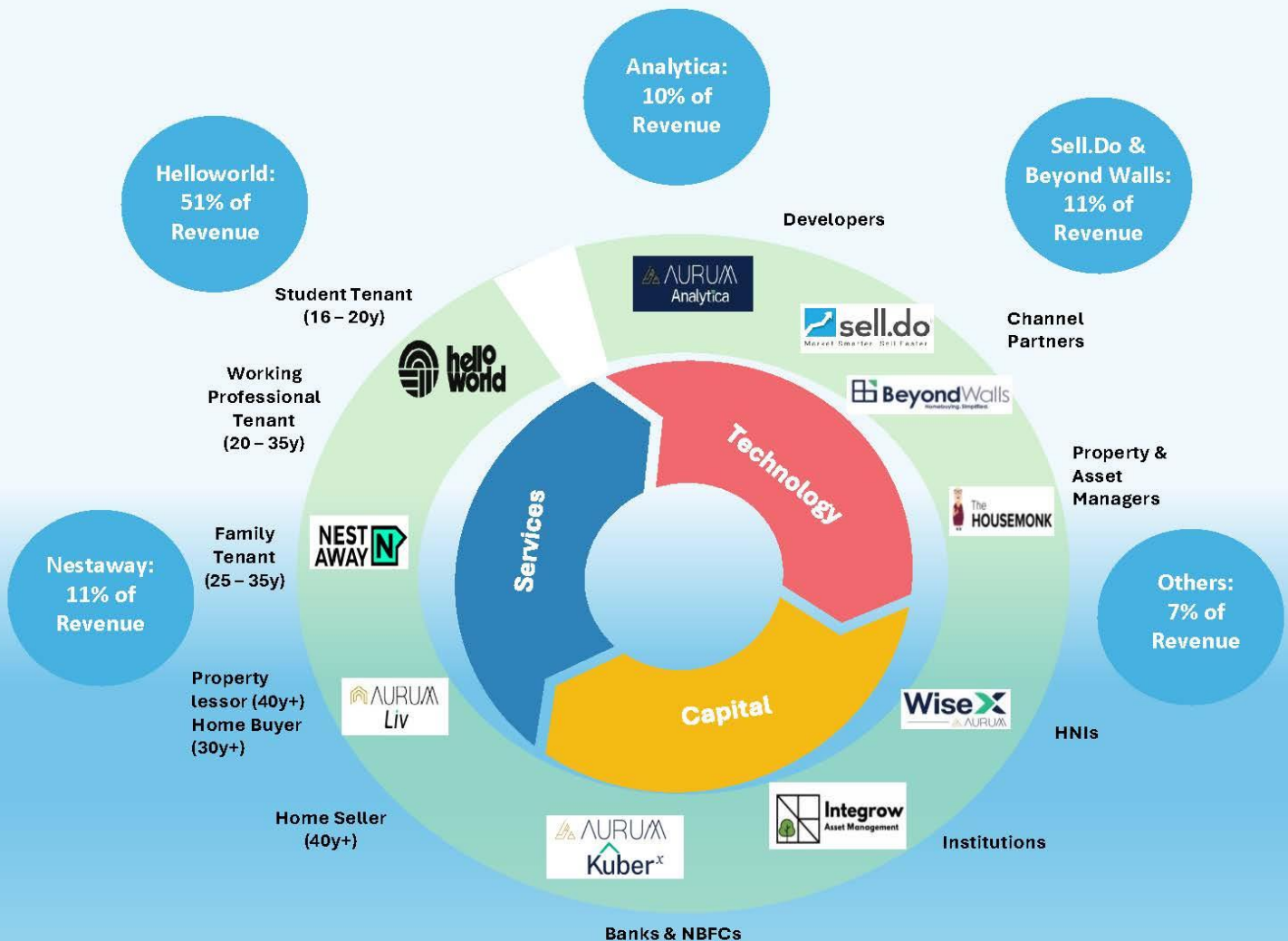


***“Innovation in the built world is a staggeringly large opportunity. Despite being the world’s largest industry and largest asset class, real estate has been a late adopter of technology. However, we are now entering a supercycle of innovation in the real estate industry...”***

***- The Fifth Wall, a leading PropTech V.C***



## Aurum PropTech

*Pioneering India's PropTech Ecosystem*

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### Pioneering India's Proptech Ecosystem

Proptech companies, leveraging innovative technologies and tailored solutions for the real estate industry, have now gained significant prominence due to their vast potential market and increasing digitization preferences among consumers. Aurum PropTech Ltd (AURUM), is one such new-aged technology company, that will emerge as an influential game changer in India's solid proptech growth momentum led by 1) its strong market positioning, 2) comprehensive portfolio of new-age platforms/products, and 3) end-to-end mapping of consumer needs along lifecycle. We expect Revenue CAGR of 46% over FY24-FY27E along with PAT profitability in FY27E. We initiate coverage with 'BUY' rating and DCF based target price of Rs.250 implying FY27E EV/EBIT of 48x.

### Proptech Space Primed for Digital Disruption

India's real estate growth, at macro level, stands massively aided by 1) steady economic growth, 2) young working population and 3) rising per capita income, along with government and regulatory interventions (GST, RERA, Housing schemes). However, the industry continues to face significant challenges due to its unorganized and fragmented nature. While **Developers** face issues such as rising costs and risks of unsold inventory, **Asset owners** face low average rental/investment yields and **Renters** struggle with unsuitable properties.

Proptech, a significant advancement in the real estate industry, offers various benefits to different stakeholders as:

- **Developers** can reduce customer acquisition costs and gain real-time insights.
- **Brokers** can expand their customer reach through technology.
- **Investors** can have access to institutionalized investment opportunities, and
- **Tenants/renters** can experience enhanced flexibility and transparency in their dealings.

### FINANCIALS (Rs Mn)

Particulars	FY22A	FY23A	FY24A	FY25E	FY26E
Revenue	158	1,269	2,141	3,131	4,587
Growth (%)	66.0	703.4	68.7	46.3	46.5
EBITDA	(183)	(151)	31	364	907
OPM (%)	(115.9)	(11.9)	1.4	11.6	19.8
PAT	(112)	(289)	(543)	(681)	(377)
Growth (%)	LTL	LTL	LTL	LTL	LTL
EPS (Rs.)	(3.9)	(4.0)	(7.6)	(9.5)	(5.3)
Growth (%)	LTL	LTL	LTL	LTL	LTL
PER (x)	(37.4)	(36.0)	(19.1)	(15.3)	(27.6)
ROANW (%)	(6.5)	(14.8)	(27.0)	(32.3)	NA
ROACE (%)	(6.7)	(12.0)	(9.6)	(8.3)	NA

CMP	Rs 145
Target / Upside	Rs 250 / 72%
NIFTY	22,303

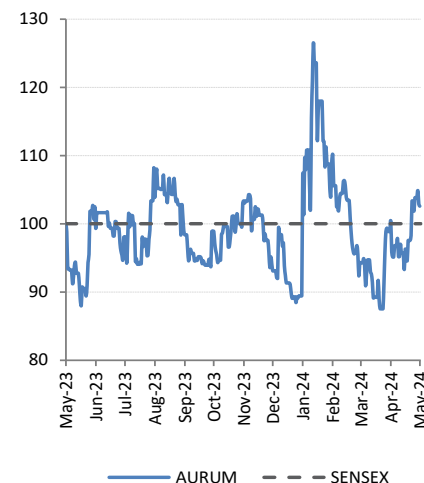
### Scrip Details

Equity / FV	Rs 359mn / Rs 5
Market Cap	Rs 10bn
	USD 125.5mn
52-week High/Low	Rs 186/ 107
Avg. Volume (no)	64,632
Bloom Code	AURUM IN
<b>Price Performance</b>	<b>1M</b> <b>3M</b> <b>12M</b>
Absolute (%)	0 (5) 27
Rel to NIFTY (%)	2 (8) (2)

### Shareholding Pattern

	Sep'23	Dec'23	Mar'24
Promoters	50.4	50.4	49.9
MF/Banks/FIs	0.0	0.0	0.0
FIs	0.0	0.0	0.0
Public / Others	49.6	49.6	50.1

### AURUM Relative to SENSEX



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## Diverse and Robust Revenue Generation Streams

Aurum's extensive products & solutions are strategically positioned to generate substantial growth driven by 1) increased housing demand, 2) formalization of the rental market (from unorganized), and 3) rising popularity of co-living spaces. We expect co-living and property management platforms (HelloWorld and Nestaway) to deliver 43%/64% CAGR over FY24-FY27E, while SaaS platform, K2V2 & analytics solution and Aurum Analytica are expected to deliver 33%/53% CAGR over the same period.

Additionally, Aurum has a significant upside optionality in form of a) WiseX (Fractional ownership platform), b) Integrow (Real estate focused Asset Management Company), c) The House Monk (Property Management Software), and d) Aurum InstaHome (Home Valuation) and 4 other products. Currently, all these solutions are small in scale and cumulatively account for just 9% of company's revenues in FY24, however, many of these holds large optionality to become Rs1bn+ each in revenues, over the near term.

Aurum's strategic approach towards growth and concentration on unit economics, will likely lead to successful scale-up of its products & solutions. Moreover, supporting unsuitable peers and benefiting from industry consolidation may further attract investors, in solidifying the company's market position.

## Turnaround Specialist in Difficult to Crack Rental Space

Aurum has experienced significant growth over the past two years, primarily through inorganic addition of rapidly expanding businesses. But it has also managed to achieve impressive turnarounds by a) Achieving break-even in **Nestaway** within 3 quarters of acquisition (with ~75% occupancy), and b) **HelloWorld**, where it achieved 87% YoY revenue growth in FY'24 (ARR of ~Rs. 1.3Bn), raised active bed capacity from 9.6K to 13.5K, and reducing operational losses over past 2 years. This is unlike most peers (NoBroker, Housing.com, Stanza Living) which are yet to achieve unit economics and operational profits.

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## About the Company

**With a 14-product portfolio, Aurum today has 14,500+ active customers in Rental solutions, and 550+ SaaS customers.**

Aurum PropTech Ltd (earlier known as Majesco Ltd) incorporated as a Public Limited Company, is a rapidly growing in the PropTech industry, focusing on a range of services for home buyers, renters/tenants, real estate developers, channel partners/brokers, and investors. By addressing the needs of various market segments, the company is capitalizing on under-exploited potential in this sector, aiming to revolutionize the real estate landscape.

Aurum has built a formidable presence across the real-estate value chain that helps resolve a number of key pain points for real estate developers, asset owners and investors – from **Renting** (Helloworld & Nestaway), **Powering Sales** with Technology-led real-estate unit sale (Sell.Do, Beyond Walls), **Data Driven Insights** (Aurum Analytica), **Buying/Investing** (Aurum Liv), **Property Maintenance** solutions (TheHouseMonk) and **Direct and Fund-based Investment** opportunities (WiseX, Integrow AMC).

Since its inception, 2 years ago, the company has scaled its revenues multifold from Rs. 158mn in FY22 to Rs. 2,141mn in FY24, using inorganic business additions and inhouse incubated offerings. With a 14-product portfolio, Aurum today has 14,500+ active customers in Rental solutions, and 550+ SaaS customers. The company's solutions have proven capability of handling large-scale operations comprising of 27,000 rental units (17 cities), subscription sale of 8,500+ CRM licenses, and generation of 150K+ qualified leads for over 200 real estate developers.

**Exhibit 1: Aurum's wide offering across multiple PropTech sub-segments**

	<b>One of the largest co-living operators in India</b>
	<b>Leading Residential rental platform and PropTech brand in India</b>
	<b>India's largest Real Estate CRM for developers &amp; channel partners</b>
	<b>Data science driven solution that accelerates performance marketing &amp; channel sales</b>
	<b>Tech-driven sales, marketing and broker aggregation services for developers</b>
	<b>A Neo-realty investment platform</b>
	<b>Tech-driven Real Estate Asset Management Company</b>
	<b>B2B SaaS product for rental properties and tenant community management</b>
	<b>B2B SaaS product for commercial property management</b>
	<b>Digital transaction platform for primary residential properties</b>
	<b>Automated Valuation Model(AVM) powered transaction platform</b>
	<b>Digital lending platform powered by AI driven recommendation engine</b>

Source: DART, Company



## About Aurum Ventures Group

Aurum Ventures owns two entities - **Aurum PropTech Ltd.**, a publicly listed company, and **Aurum Real Estate Developers Pvt. Ltd.** Aurum Real Estate is a privately held real estate investment and development company in India (Group Company). Mr. Ashish Deora is a highly accomplished entrepreneur with a diverse range of achievements. He has been instrumental in various innovative projects such as 1) establishing the first Optic Fiber cable network in Mumbai in 1999, 2) pioneering futuristic video on demand in 2003, 3) investing in strategic turnaround of ModiLuft airways in 2006 (now known as SpiceJet), and 4) co-incubating ReNew Power, which has grown to become India's leading renewable independent energy power producer.

In 2009, Mr. Deora formed Aurum group, which ventured into real estate, developing and delivering luxury residential, retail and commercial properties spread across Worli, Walkeshwar and Navi Mumbai. Aurum Real Estate's recent financials from FY23 showcased a revenue of Rs.3.6 bn, PAT of Rs.1.2 bn and credit rating of 'A-' by Crisil. In 2021, Aurum expanded its presence in the PropTech industry by acquiring the remaining business of Majesco Ltd., ultimately leading to its listing.

### Exhibit 2: Change in Ownership of Aurum Ventures (Promoter) over last 2 years

Period	No. of shares	Promoter Holding
Jun-22 - Dec-23	7,15,74,222	50.34%
May-22 - Jun-22	7,15,74,222	50.34%
Mar-22 - May-22 (Rights Issue)	↑ 4,29,44,533	↑
Jun-21 - Mar-22	2,86,29,689	35.04%
Mar-21 to Jun-21	2,86,29,689	35.04%
Mar-21	2,86,29,689	14.79%

Source: DART, Company

### Exhibit 3: Key Events in the Company

Date	Events
Sep-20	Majesco sold its InsurTech business to ThomaBravo, a U.S based PE firm for \$729mn.
Mar-21	Aurum Ventures, via subsidiary Aurum Platz IT Pvt. Ltd. signed a definitive agreement to acquire the entire promoter shareholding of 14.8% of Majesco Ltd. at a price of Rs. 77/share, a 21% premium on price as of 19-Mar-21. Open Offer triggered for acquiring 26% stake from the public shareholders of Majesco Limited at the same price.
Jun-21	Aurum was able to acquire 20.2% of stake (as against proposed stake of 26%) taking its stake to 35.04% stake as promoter.
Jul-21	Board approved change of name from Majesco to Aurum PropTech Ltd. Acquired 51% in K2V2 technologies (Sell.do – RE focused CRM Software) for Rs.400mn, with FY21 Rev run rate of Rs.114mn.
Oct-21	Acquired 49% stake in Integrow – a tech enabled CAT-II AIF Business, for Rs.250mn. Integrow was pre-revenue at that time.
Dec-21	Acquired 51% stake in Monk Tech labs (Housemonk – a rental management software Co.) for Rs. 153mn.
Mar-22	Acquired 100% stake in HelloWorld a- co-living company for Rs. 420mn, valued at ~1.2x of FY21 sales.
May-22	Rights issue of Rs. 3,435mn, issuing 42.9mn shares at a price of Rs. 80 per share (partly paid – Rs20 called as first tranche). Post Rights issue shareholding for Promoter increased from 35.04% to 50.34%. Rights issue was aimed at product development, product marketing, investments, and funding inorganic initiatives. APT received application money of Rs. 858mn, i.e., 25% of the rights issue size, @ Rs.20/ share. Aurum acquired 100% stake in Blink Advisory (Career Socially) – a data analytics business for Rs. 235mn.
Apr-23	Acquired Nestaway – a rental management marketplace for Rs. 900mn with FY22 sales at ~Rs243mn.
May-23	Acquired MYRE Capital's Platform, which was later renamed as Aurum WiseX. It is an investment platform for investing in Commercial Real Estate, Corporate Bonds, SDI (Securitized Debt Investing) Opportunities, etc.
Apr-24	Aurum completed second call towards the rights issue, at Rs. 30 per share (Rs30 more pending to be called), and received 95% of called Rs.1,288mn by Apr'24.

Source: Company

## Key Milestones

### Acquisition of Equity stake in an erstwhile listed Insuretech company

Aurum PropTech was formed in Mar-21, wherein Aurum Ventures, via Aurum Platz IT Pvt. Ltd acquired the equity stakes in listed entity Majesco Ltd. as the latter concluded sale of their InsurTech Biz. to Private Equity major, Thoma Bravo in Sept-20. The said entity was just left up with 2 building assets (1 completed and 1 under construction) in the listed entity. Aurum initially acquired a 14.08% stake of this remaining entity at a price of Rs.77/share in the open market.

Post 14.08% stake acquisition, Aurum Ventures made an open offer to acquire up to 26% stake from public shareholders of Majesco Ltd. at the same price. Aurum Ventures was able to procure 20.2% stake in this open offer, taking stake to ~35%. Further by gaining share in the rights issue, Aurum Ventures went to majority of 50% in Jun'22.

APT is promoted and backed by Mr. Ashish Deora, who has over the last decade created a high-quality Real Estate Development Business (Residential and Commercial) and prior to that had been a very successful serial entrepreneur with diverse industry experience ranging from Optic Fibres to Airlines to Renewables.

### India's First Listed 'Integrated' PropTech

In Jul-21, Majesco was renamed to Aurum PropTech and is headquartered in Navi Mumbai. There on, Aurum has strategically acquired multiple entities that are mapped across real estate offerings for Consumers (Rent, Purchase, Loans), Investors (rental income, fractioned ownership) and Developer (Lease, sale, leads, CRM, Analytics).

Since then, Aurum has made 6 strategic in-organic investments spanning 1) Technology, 2) Capital and 3) Services verticals, and created a diverse bouquet of 14 products covering 75% of PropTech market potential in India.

Key Products/Brands include: Nestaway (residential rental platform), HelloWorld (Co-living platform/operator), Sell.Do (Real Estate CRM), Beyond Walls (Channel Partner platform), and Aurum Analytica (Analytics, data intelligence).

As of Q4'FY24, HelloWorld is the largest revenue contributor with ARR of Rs. 1.3Bn+, followed by K2V2 ARR at Rs.450mn+, Nestaway at Rs.350mn ARR, and Aurum Analytica at Rs.260mn+.

***HelloWorld is the largest revenue contributor with ARR of Rs. 1.3Bn+,***

***Followed by K2V2 at an ARR of Rs.450mn+,***

***Nestaway at Rs.350mn ARR, and Aurum Analytica at Rs.260mn+ ARR.***



#### Exhibit 4: Board of Directors

Name	Position	Background	Academic Qualifications
Ashish Deora	Founder & Group CEO	Founded Aurum group in 1999, which ventured and created value in sectors such as Telecom, Aviation (among investors and part of executive team of SpiceJet), and Renewable Energy (ReNew Power)	HBS Alumni
Onkar Shetye	Executive Director	15+ years of multisectoral experience, incl. strategic and transformational initiatives at multiple organizations across industries like Energy, Real Estate, Mineral Exploration, and I.T Part of Aurum Group since June 2012	SMP Gen Mgmt IIM-A, M.Sc. Enterprise Mgmt.
Ramashrya Yadav	Independent Director	20+ years of experience in Construction, Real Estate, Banking & Investment. Before starting Integrow Asset Management, India's first real-estate only focused asset management company he worked as CEO- Real Estate Advisory Practice, Edelweiss Financial Services Ltd	Harvard Alumnus
Vasant Gujarathi	Independent Director	A veteran in Corporate affairs, Governance and Regulatory practices. 35 years of experience, with 23 years as a partner at PwC. Also a representative on the PwC Global Committee for 'Industrial Products' sector	B.Com (Hons) & Fellow Member ICAI
Ajit Joshi	Independent Director	34 years + of experience in various C suite and Board roles in Indian and international enterprises in diverse industries. He has navigated the corporate sector, startup landscape, and consultancy field. Currently, an advisor and consultant with various companies and an international venture capital firm.	MBA (Symbiosis)
Ms. Padma Deosthali	Non-Executive Director	Experience of 20+ years, worked closely with U.N Population Fund, U.N Development Programme and World Health Organization.	Masters in Social Work & PhD from TISS
Shrirang Athalye	Non-Exec, Non-Independent Director	Currently serving as Group President of Aurum Ventures. Previously worked with notable companies such as Bombay Dyeing & Mfg. Co. Ltd., International Wool Secretariat, JT Mobiles, Mafatlal Industries Ltd., Tasty Bites Eatables Ltd.	B.com & MBA from Mumbai Uni.

Source: DART, Company

## Exhibit 5: Key Executive Team

Name	Position	Background	Previous Organizations	Academic Qualifications
Onkar Shetye	ED, Aurum PropTech	15+ years of experience, incl. strategic and transformational initiatives at multiple organizations across industries like Energy, Realty, and I.T Part of Aurum Group since June 2012.	Aurum Real Estate Developers, Accenture, Cognizant, Siemens	SMP General Management IIM-A, M.Sc. Enterprise Management
Kunal Karan	CFO, Aurum PropTech	25+ years of excellence and rich experience in corporate finance.	Majesco, Mastek, Reliance	CA, CPA
Jitendra Jagadev	Co Founder and CEO NestAway, HelloWorld	Secured \$100Mn+ in funding for NestAway and founded BrizzTV - World's first cloud-connected content delivery platform via satellite TV. Conferred several awards such as Fortune India's 40 under 40.	NestAway, Cisco, Philips	B.Tech. (CS), NIT Surathkal
Ismail Khan	CBO, NestAway	Youngest AIX Performance Tools Architect at IBM, holder of three patents. Founding member of TaxiForSure; Grew NestAway's Bangalore biz.	NestAway, TaxiForSure, IBM	B. Tech. (Computer Science) NIT Surathkal
Ketan Sabnis	CEO at Kylas and Sell.do	Successfully built & scaled Sell.do, India's largest RealEstate Sales & Marketing CRM.	Amazon India	B. Tech College of Engineering, Pune
Vikram Kotnis	Co-Founder, K2V2	Pioneered broker aggregation in India; propelled Sell.do to largest market share in Real Estate. Successfully created Amura (a prominent digital marketing brand) and Axilon Tech (a specialized mortgage tech solutions Company).	Amura Marketing Technologies, Axilon Tech, Mortgage Data Systems, HLC, Sun Microsystems	M. Sc. (Computer Science), B.E.
Hiren Kumar Ladva	EVP, Investments	Proven sales leadership (grew revenue by 2X over 2 years) Awarded 40under40 Supply Chain Professionals in India.	Future Supply Chain, Solutions, Tata Group (Telecom, consulting)	MBA (IIM-A), B. E. Computers, (NIT Surat)
Aryaman Vir	CEO, Aurum WiseX	Built neo-reality investment platform. Expert in automation, algorithms and big data analysis. Conferred with 40under40, 30under30 awards	Anarock, SoftBank, Moelis & Company	MSE (Systems Engg) University of Pennsylvania
Prakash Tejwani	ED at Aurum Analytica	Led Pitney Bowes' Accelerator Prog and nurtured 16 startups in the field of AI/Deep-Tech/Analytics. Promoted NASSCOM's 10K startup initiative.	Pitney Bowes, ALMaya Dubai	Msc. (Computer Science)
Sahil Rathore	Chief Business Officer, Aurum Analytica	Transformed SMB strategy at Pitney Bowes, scaling BU to \$1.7Bn in Rev and 1Mn+ customers. At Appirio, contributed to global Salesforce implementations.	Pitney Bowes, Appirio (Wipro company)	B. Tech. Rajasthan Technical University
Ram Yadav	Founder and CEO, Integrow	Built India's first active lending book on integrated distribution platform; Had successfully filed the first IPO for a Realty Co in Sept'06. Led turnarounds on 15+ stressed projects at Shapoorji Pallonji.	Edelweiss, Orbit Corporation, Shapoorji Pallonji	MBA Finance, Madurai GMP, Harvard Business School
Ajay Kumar	Co-Founder MonkTechLabs	Proven track record of building PropTech solutions in co-living and property management.	Monk Tech Labs, Cozee, Homes, Mu Sigma	B. Tech. (Civil)- NIT Surat
Balaji Vardharajan	Co-Founder & MD, MonkTechLabs	Built PropTech solutions in property management. Excels in propelling growth, building teams and Strategic leadership.	Monk Tech Labs, Cozee Homes, TVS Motors	B.E.(Mechanical) Anna university-SCVE
Vinayak Katkar	Co-Founder at Kylas and Sell.do	Successfully built & scaled Sell.do, India's largest RealEstate CRM; Built the ground-breaking transaction platform IRIS under it. Upgraded Sell.Do platform into an industry agnostic CRM platform.	SunMicrosystems	B.Tech. (CS), College of Engineering Pune
Vishal Sharma	CTO, Aurum Analytica	Built a cutting-edge mobile app for ad fraud prevention system; Played a pivotal role in groundbreaking research of a blockchain protocol.	Karachain, UX Army	M. Tech. (Computer Science) BITS, Pilani

Source: Company

## Industry Overview

### Indian Real Estate – Market, Demand and Role of Technology

**Indian Real Estate Market:** As per Dec-2023 update of Indian Brand Equity Foundation's report (IBEF -a trust established by department of Commerce, Government of India), real estate in India has a strong multiplier effect on development in the economy, and India is expected to reach US\$ 1Tn market size by FY2030, from \$500Bn in FY2023. This market is driven by broader macro factors such as rising population, rising per capita income, urbanization, improving connectivity and network and infrastructure projects. Real estate, including construction sector is the second largest employment generator in India with 71mn workforce. According to Knight Frank-RICS, this sector is poised to employ 100mn by 2030.

**Demand Led Drivers:** Traditional factors such as economic growth (including construction and manufacturing activity), demographics (65% of population under age of 35) and favorable taxation on residential housing remain key drivers for residential real estate. Additionally, newer trends such as: a) Rise of co-working, co-living, student housing and senior living, b) Technology penetration (smart homes, use of technology for property management), c) Urbanization – large job market, educational institutions, and organized community living (urbanization rate as a % of population has risen from 29% in 2005 to 42% in 2023), and d) Need for a home post pandemic are some of the key demands led drivers for real estate in India.

**Government Initiative Boost:** The Indian real estate sector has witnessed significant growth and increased investor interest since 2014, mainly due to various government initiatives such as:

- **Pradhan Mantri Awas Yojana (2015):** This initiative was aimed to provide affordable housing to economically weaker sections of the society. Till date, ~7.8mn affordable homes have been delivered out of 20mn (Dec-2024 target).
- **100 Smart cities mission (2015):** Smart City mission was launched by Government in 2015 to provide core infrastructure and improve quality of life. Some of the key aspects of this mission include: - Adequate water supply, assured electricity supply, sanitation, including solid waste management, efficient urban mobility and public transport, affordable housing, etc.
- **Insolvency and Bankruptcy Code (2016):** Enacted in May-16, the Insolvency and Bankruptcy Code (IBC) was introduced to efficiently resolve non-performing assets and enhance overall health of the banking system. As per Sept-23 report by corporate law firm Khaitan & Co., share of Real Estate in Recoveries under IBC stood at ~37% of total claim admitted, much higher than 24% of Non-Real estate sector.
- **Demonetization (2016):** While demonetization led to a severe near-term demand dip, demonetization helped lower cash component of transactions and led to greater digital adoption, bringing in more transparency in the sector.
- **RERA Act (2016):** RERA act was introduced to protect homebuyers against unfair trade practices, misleading advertisements, and fraudulent activities. RERA requires builders to provide specific project completion timelines.
- **GST Act (2017):** The GST act introduced a common tax framework across states. The input tax credit in the current system allows significant cost savings in construction projects, as it covers expenses related to materials, labor, and

**Newer trends in Real Estate include:**

*Rise of co-working, co-living, student housing and senior living,*

*Technology penetration,*

*Urbanization*

services. This advantage was not present in the previous regime, making the overall construction process more affordable and efficient.

- **Easing up of FDI Norms (2017):** In July 2017, Govt approved 100% FDI under automatic route in the construction development segment, which includes townships, housing, built-up infrastructure and real estate broking services.

### Technology Led Future of Real Estate

In India, real estate sector continues to remain largely unorganized (also undisrupted) due to lack of awareness and slower technology adoption. It continues to lag compared to other sectors such as Fintech, e-commerce, enterprise, consumer tech, etc, witnessing only a few unicorns compared to other sectors. Lack of awareness, perceived costs & ROI and concerns on integration with existing systems lowered the adoption rate.

*Greater tech adoption  
in real estate led by:*

*Influx of substantial  
institutional capital*

*Digital transformation  
inclination, Regulatory  
compliance and  
Growing data pool*

However, influx of substantial institutional capital, rapid digital transformation affecting various industries, need for legal/regulatory compliance and rapidly growing and evolving data pool, analytics and automation- have significantly contributed to increased adoption of technology in the real estate sector. This trend is further accentuated a trend towards greater reliance on strength of organized/listed real estate developers that offer greater transparency and better customer experiences. In fact, with rising tech penetration, India's Global Real Estate Transparency Index ranking improved by three notches from 39 to 36 since the past eight years from 2014 until 2022 on the back of 1) regulatory reforms, 2) better market data and 3) green initiatives (according to property consultant JLL).

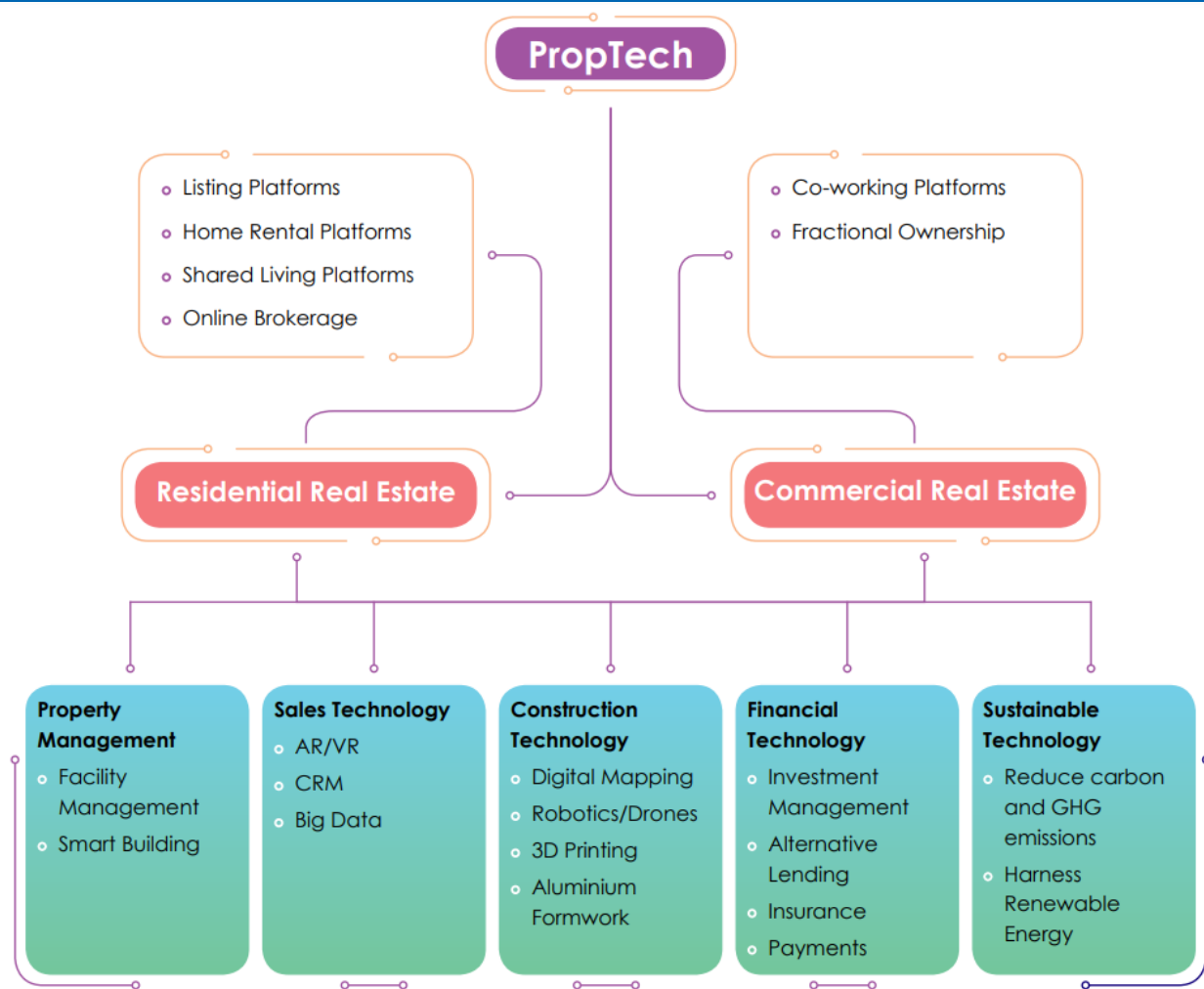
Mr. Ramesh Nair, Chairman – M.D of Market Development, Asia, Colliers, stated that “To give a leg-up to their businesses, landlords and occupiers are focusing on technology at the core of their strategy. For developers, high-performance buildings can lead to better occupier retention and lower operational costs. **Studies suggest that full-scale digitization can help the construction sector generate cost savings of 12-20% annually.**”

### PropTech Push to Drive Sales in Residential

Realtors have traditionally relied on conventional media advertising (via listings), own websites and brokers to drive real estate sales, including physical site visits. With penetration and adoption of digital, few realtors started offering virtual tours on their website and more importantly, with the onset of pandemic, digital adoption saw a big boost in terms of technology investment, leading to increasing no. of developers offering virtual tours, virtual reality experience to extended simulation. This gave potential homeowners the opportunity to envisage a ‘finished project’ beforehand.

PropTech market has several segments addressing needs from property management to sales to financing to construction.

## Exhibit 6: PropTech Market Landscape



Source: Anarock-HDFC report, Nov-22

As per a Nov-2022 Anarock-HDFC report, globally, real estate developers adopting next-generation technologies have witnessed:

- Increased sales revenue by 60%,
- Improved sales pipeline/opportunities by 50%, and
- Increase in conversions by 40%. Consultants also witnessed reduction in investment decision making cycle.

### Co-Living Market in India

As per report by Cushman & Wakefield (Jan-2020), Co-living was conventionally known in India as a PG accommodation and as privately run or academic hostels. However, number of these PG accommodations were beset by issues such as ill-equipped design, lack of basic amenities, and limited options.

With continued migrating for higher education, this accommodation landscape has changed over the years, from informal to more organized, led by 'purpose built' apartments, dorms, and hostels catering to students. For young working professionals, facilities such as gated communities, curated experiences are provided. Curated experiences comprise of hosting social events such as birthdays, festivals, sports, etc. Senior living with focus Geriatric care (medical care for seniors) are also gaining traction.



## Exhibit 7: Co-Living Landscape



Source: Cushman & Wakefield

**Market Size:** As per Cushman & Wakefield report, Co-Living market in India (for Top-30 cities), is estimated at \$6.6Bn in CY2019, and is poised to grow to \$13.9bn by CY2025, a CAGR of 11.2%. Bulk of this demand is from Top-8 cities (~70%+).

The increasing demand for new residential and office spaces is influenced by various factors including a) a large population in the 18-37 age group, b) 36.6mn student base, c) young people's readiness to relocate to new locations/cities for work, and d) the growing impact of technology, community engagement, and lifestyle experiences on urban development.



Overall, while Co-living as an experience has been around since many decades, the concept of organized, built to suit, and technology led experience is fast catching up.

#### Exhibit 8: Comparison between Co-Living and Rented Apartment

Particulars	Co-living Premises	Typical Rented Apartment
Monthly rent	To Operator	To Landlord
Security Deposit	2 -3 Months' Rent	6 -10 Months' Rent
Tenure	Flexible, in some cases with 3-month lock-in	Minimum 11 Month contract term
Flexibility	Flexible terms of exit without notice period	Stringent terms with 1 month notice period; additional chances of conflict with landlord
Common Area Maintenance (CAM)	Included in Rent	Not Included in some cases
Utility charges	Included in Rent	Not Included
Meal	Option to be included as part of cost	Not Included
Housekeeping	Included	Not Included
Technology	Advanced technology usage for services & experience	No technology interface
Amenities & Social Life	Modern amenities with Wi-Fi, common areas for social interaction	Amenities to be sourced on additional cost, no social interaction

Source: Cushman & Wakefield

### Residential Rental Market in India

As per IMF (last study in 2012), India's residential rental market is valued at \$20Bn, out of which \$13.5Bn is urban, \$0.8Bn is rural and the rest NRI property brokerage. Based on 2011 census (was to be held in 2021, but postponed due to COVID crisis), share of rental housing in urban areas is 31%, while 11% in rural areas live in rental homes.

Recently, in Dec-2023, NoBroker.com conducted a survey of 32K customers from major cities such as Bangalore, Mumbai, Pune, Chennai, Hyderabad, Delhi-NCR, and overseas. While this survey revealed that 60%+ would prefer to buy a home over renting, it captured all age cohorts, including NRIs, there are certain key insights from the survey on renters:

- 85% of the people surveyed preferred a ready to move-in home,
- Investors in a buoyant real estate market to capitalize on the wave of higher rental yields.
- Rental yields in key areas have reached as high as 6%, making the return on investment in residential accommodations as attractive as those in commercial properties.
- About 45% of landlords are solely dependent on rental income.
- 86% of landlords are actively looking to buy second homes as an avenue for investment purposes.

**Residential Investments by NRIs:** Friendly regulations (FEMA allows investment by NRIs into residential and commercial property), increasing digitization, appealing rental yields, and long-term capital appreciation is leading residential real estate investment to be an increasingly favored trend.

Broadly, there is a clear trend, need and role of technology platform that can help ease process of managing rental properties, improve transparency, accessibility, and provide property management solutions. Apart from finding and maintaining tenants,

a platform/property manager that can address grievances, maintenance & repairs, can provide peace of mind to the asset owner.

### **Fractional Ownership in India**

Owning part/percentage share of a home/commercial property is called Fractional Ownership. As per JLL-Propshare, fractional ownership market in India is presently valued at \$500mn and is poised to reach \$5Bn by end of FY2030. Recently, on 15<sup>th</sup> March 2024, SEBI introduced various guidelines for investing in small and medium REITs to regulate fractional ownership, such as: a) Minimum ticket size of Rs. 1mn (earlier Rs2.5mn), b) Improved transparency norms, c) Greater liquidity buffer, d) MSME REIT size of Rs.500mn to Rs. 5Bn, among others. Recognition and regulation by SEBI offers greater scope for more players and investors to join in this market.

Fractional Ownership can be for: a) Commercial Properties, b) Residential properties, and c) Holiday Homes, etc.

**Yields:** 11-12% in commercial fractional ownership is generally treated as minimum targeted rental yields. However, average yield in holiday homes is usually 6%, though it can be substantially higher in certain locations.

## Business Overview

Aurum PropTech Ltd is a strong PropTech play created with the genesis of leveraging decade plus experience on Real Estate and to refine the consumer experience with evolving digital landscape using data & tech. Company aims to serve the need around Rental, Distribution and Capital in an efficient manner giving best of operational excellence and Digital Experience. Below is a brief overview of all the business segments that addresses these needs:

### Exhibit 9: Brief Overview of Business Segments

Key Segments	Target Audience	Rev Mix	Business	Business Model
HelloWorld	16-26yrs	51%	Co-Living Platform and Operator	Leases asset, and Recognizes Full Rent as Rev; + Earns Management Fee as Operator
Nestaway	25-35yrs	11%	Residential Rental Platform	Recognizes Fee (as a % of Rent) from Asset Owner
Sell.Do	Developers		Real Estate CRM (SaaS)	License Fees, Annuity Revenue
Beyond Walls	Channel Partner	20%	Broker Aggregation Platform (SaaS & App)	Commission % on Transaction Value; Charged to Developers
Aurum Analytica	Property Managers	10%	Analytics driven Lead Generation for Developers	Revenue from Generating Qualified Leads for Developers
Other Products		Rev Mix	Business	
TheHouseMonk	Asset Managers		SaaS for Rental properties & Tenant Management	License Fees, Annuity Revenue
WiseX	HNIs	7%	Fractional Investment Platform	Management Fee, Performance Fee
Integrow	Institutions		Asset Management company	Management Fee on AUM

Source: DART, Company

**Business Units:-** While Aurum has ventured into twelve unique areas within PropTech universe, the current revenues are largely consist of three use cases:

- 1) **Rental Platform** (Nestaway, Helloworld, Monktech),
- 2) **Distribution Platform** - Sell.Do (CRM for developer), Beyondwalls (Broker aggregation) and Aurum Analytica (Adtech, lead generation platform)
- 3) **Capital Platform** – Wisex (Fraternal ownership), Integrow (RE focus AMC) etc.

These three aspects collectively account for over 85% of current revenue streams.

### Exhibit 10: Business Segment and Contribution in revenue (Rs.mn)

Business Segment	FY23	Share %	FY24	Share %
HelloWorld	619	49%	1,100	51%
Nestaway			225	11%
Analytica	68	5%	220	10%
K2V2	507	40%	436	20%
Others	75	6%	159	7%
<b>Total Revenues</b>	<b>1,269</b>	<b>100%</b>	<b>2,141</b>	<b>100%</b>

Source: DART, Company, \*Based on Q4'FY24, remaining are as per publicly available data.

## HelloWorld (HW) - ~51% of FY24 Revenue

**Background:** HelloWorld, a subsidiary of Nestaway, was launched in Apr-19 to cater to the needs of working professionals and families seeking rental flats. In Sept-19, Nestaway invested a substantial amount of \$10 mn (Rs. 710 mn) into HelloWorld to support its growth. This investment allowed Nestaway to expand its offerings, including furnishing, private spaces, community events, and zero brokerage fees for their customers.

**About HelloWorld:** HelloWorld was established to cater to the co-living needs of Gen-Z/Millennials. It was acquired by Aurum in Mar-22 for Rs. 420 mn (given FY21 Sales of Rs.338mn, the acquisition was valued at 1.24x of Sales). This acquisition demonstrates Aurum's commitment to invest Rs. 100 mn in the business, further strengthening its presence in the co-living sector.

**Business Model:** HelloWorld follows the 'OpCo' or Operating Company model. It is a management contract-type model between operator and landlord. HelloWorld ties-up with builders/ entire building owner for long term lease of 3-6 years, that are built for co-living. It recognizes all rent collected as revenue (takes the occupancy risk), earns a management/maintenance fee (operator is responsible for operating expenses), and remits pre-committed lease rental to the property-owners.

Long-term leases in gated communities, particularly those spanning 3-6 years, offer stability and security for tenants seeking a more permanent residence within individual building units or clusters. HW onboards supply (from landlord) and provides a discovery platform to potential customers. It provides a single-point of contact for supply and demand, i.e., removes brokers from the transaction.

Rentals potentials are estimated using data (occupancy levels), geographic mapping (e.g., ATM vicinity, MNC/PSU bank categorized location) and technology led process. This process helps in identifying the ideal asset and its true earning potential.

**Benefits for Tenants:** HW provides the entire servicing lifecycle (Exhibit 11) that goes beyond simple match-making, i.e., providing assistance in house-hunting to booking, eKYC, rental agreements, providing community assistance to check-out and deposit refund. Salient features comprise of: a) 1 month of deposit (vs. an average 10 month in most rental contracts), b) No brokerage (better transparency), c) Instant Move-In (minimal paperwork). Additionally, HW provides various amenities, ranging from basic, i.e. water, internet, water, security, furnishings, to more premium offerings such as food, housekeeping, laundry services, etc.

Apart from individual home-seekers/students, HelloWorld also ties-up with corporates (120+ partnerships) for sourcing tenants. Corporate tie-ups forms about 10-15% of incremental demand.

**Benefits for Houseowners:** HW provides KYC verified tenants, algo-driven commercials (personalized advertising), taking care of process of on-boarding tenants, ensuring automated rent payments, and regular property reports/inspection and on-demand maintenance services (Exhibit 10). HW has witnessed very little homeowner/asset owner attrition over the years.

### *HelloWorld*

*For Tenants: Improving on-boarding experience and providing a no. of amenities/ services.*

*For Houseowners: KYC verified tenants, algo-driven commercials and on-demand maintenance services.*

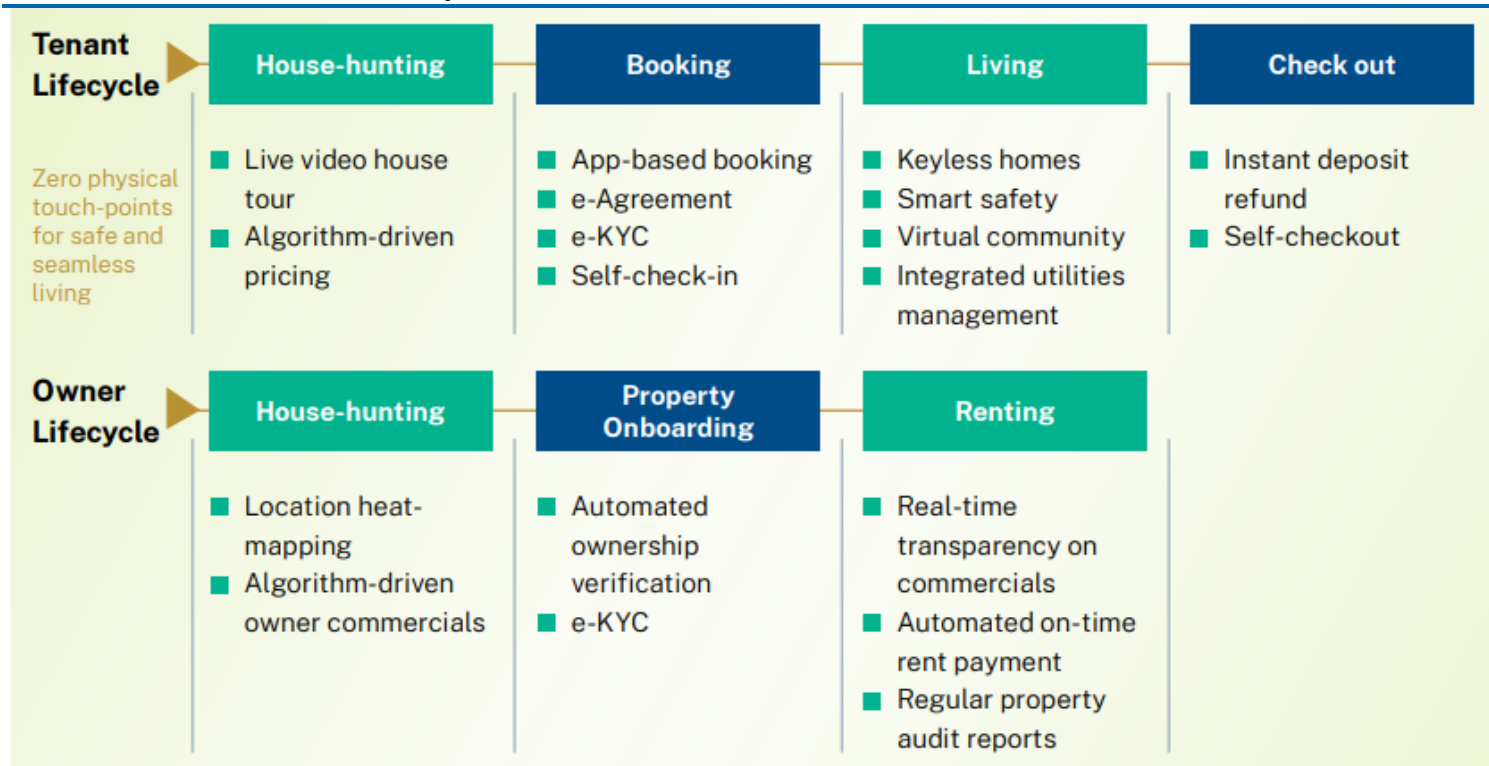
**Target Audience:** Its target audience is 16-28 years old student tenants to young professionals. HelloWorld's tenant's average tenure is 7-7.5 months. At present, 75% of the occupancy is of student living, while balance 25% is of young professionals, with 50:50 male to female ratio.

**Key Markets:** Initially, HelloWorld was launched in Bengaluru and Kota, and gradually expanded to 15 cities (Last update Q4FY23). Management considers these 15 cities to remain as key markets and will pursue expansion within these cities for growth.

Key markets (as a % of Revenue) comprise of Bengaluru (20%), Kota (20%) and Delhi NCR (20%), and balance 40% includes other 10 cities such as Pune, Hyderabad, etc.

(As per Q2FY23 concall) HelloWorld, achieved market leadership in student living segment of Kota city, and is a major player in rental markets of Bangalore, Pune, and NCR. HW has seen improvement of the occupancy rate from 69% to 78%.

### Exhibit 11: Tenant & Owner Lifecycle



Source: DART, Company (AR 2023)

## Exhibit 12: Traffic Metrics vs. Peers

HelloWorld	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	19,745	33,885	26,578	11,129	5,416	2,854	2,493	5,058
Paid Traffic (Mobile)	Nil	Nil	Nil	3,910	2,609	201	Nil	310
Paid Traffic as a %				35%	48%	7%		6%
Organic Traffic (Web)	16,502	38,588	36,256	53,908	20,071	20,141	23,200	22,079
Paid Traffic (Web)	Nil	Nil	Nil	2,820	1,039	78	Nil	125
Paid Traffic as a %				5.2%	5.2%	0.4%		0.6%

Stanza Living	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	4,43,072	6,23,529	6,07,005	8,80,137	4,00,761	2,57,056	4,60,286	4,01,992
Paid Traffic (Mobile)	2,843	10,071	12,127	11,439	12,959	6,824	6,676	4,253
Paid Traffic as a %	0.6%	1.6%	2.0%	1.3%	3.2%	2.7%	1.5%	1.1%
Organic Traffic (Web)	7,61,869	8,04,575	8,87,679	11,20,948	7,81,327	6,62,971	9,25,923	9,96,331
Paid Traffic (Web)	3,505	10,010	20,725	22,043	18,619	14,981	14,965	7,009
Paid Traffic as a %	0.5%	1.2%	2.3%	2.0%	2.4%	2.3%	1.6%	0.7%

Zolostays	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	1,58,490	2,93,966	2,87,041	3,19,005	1,75,788	1,67,795	2,27,606	2,25,870
Paid Traffic (Mobile)	136	5,901	4,101	1,916	3,779	7,431	626	206
Paid Traffic as a %	0.1%	2.0%	1.4%	0.6%	2.1%	4.4%	0.3%	0.1%
Organic Traffic (Web)	3,53,569	5,36,564	5,49,302	5,40,601	5,51,173	3,79,117	4,78,180	5,08,365
Paid Traffic (Web)	1,714	1,796	3,282	7,805	2,818	6,404	1,252	48
Paid Traffic as a %	0.5%	0.3%	0.6%	1.4%	0.5%	1.7%	0.3%	0.0%

Source: Semrush

## Exhibit 13: Financials Vs. Peers

HelloWorld	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	N.A	N.A	339	324	619
EBITDA			58	(5)	223

Stanza Living	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	187	850	533	1,549	4,581
EBITDA	(173)	(1,195)	(2,263)	(4,175)	(4,950)

ZoloStays	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	269	729	445	449	990
EBITDA	(318)	(1,007)	(899)	(380)	(690)

Ishtara	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	121	254	150	262	696
EBITDA	(8)	(105)	(184)	(198)	(305)

Source: Tracxn, Company

## Exhibit 14: Capacity Comparison

Capacity Comparison	Stanza Living	HelloWorld*	ZoloStays	Ishtara
No. of Beds	70,000	13,500	45,000	24,000
Cities	24	15	15	4

Source: DART, Company, \*Based on Q4'FY24, remaining are as per publicly available data.



## Our View

**Unorganized Market Primed for Tech-Led Disruption:** Similar to rental market, the 'Paying Guest' market remains a largely unorganized market. As per Colliers report of Dec-2021, Co-living beds in India are poised to reach 450K by end of CY2024 from 210K at end of CY2021. Co-Living offers investors yields between 6-7%, about 2x of rental market.

**Focus on Leadership vs. Expansion:** HelloWorld has 13,500 Live beds as on Q4'FY24, and management target is to achieve 30,000 beds by FY27. Management aims to further strengthen its leadership position in its existing key markets. It also mandates to pursue expansion only if it can earn at least 45% gross margins from a property. 20% of costs are variable, related to on-field sales salaries and performance incentives, while 20% costs are fixed, related to corporate costs, and balance costs of 5% are related to specific branding exercises.

*HelloWorld*

*Well-placed in unorganized market poised for disruption.*

*Expected to Strengthen leadership in key markets.*

*Demonstrated superior customer acquisition strategy.*

### Exhibit 15: Key Metrics – HelloWorld

HelloWorld	FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24
Live Beds	9,694	11,195	12,689	12,993	13,500	12,594
ARR (Rs.mn)	645	893	1,080	1,148	1,357	1,357
Revenue for period (Rs. Mn)	619	210	264	287	339	1,100
Realization per unit (Rs.)	63,885	18,758	20,774	22,097	25,133	87,341

Source: DART, Company

**Strong Operational Performance:** Though HW has not yet achieved PAT profitability, FY'24 performance saw 77% Revenue growth at Rs. 1.1bn, led by 30% growth in live beds and 37% increase in annualized realization per bed basis, reflecting superior customer acquisition strategy and efficiency. Interestingly despite higher scale, peers are yet to achieve even operational profitability. Although, HW is scaling in a calibrated manner ensuring systemic efficiency led gains in profitability.

## Nestaway - ~11% of FY24 Revenue

**Background:** Nestaway was a rental startup founded in 2015 in Bengaluru by Deepak Dhar, Jitendra Jagadev, Amarendra Sahu, and Smruti Parida, aimed to provide affordable and standardized quality living solutions to young professionals. Nestaway expanded gradually from Bengaluru to Hyderabad to Delhi NCR, and other 3 metros. In Dec-17, Nestaway acquired Bengaluru based peer, Zenify for an undisclosed amount. Till May-19, Nestaway had raised \$115mn in 8 rounds, from investors like Tiger Global, Goldman Sachs, Chiratae Ventures, Ratan Tata fund, etc., and reached a post-money valuation of \$227mn. However, business and operational challenges (onboarding homeowners and tenants, addressing timely rent, refunds and finding new tenants, etc.), pandemic impact resulted in continued PAT losses (cumulative loss totaling to Rs.9Bn over FY16-FY22 vs. cumulative Revenue of Rs.4.9Bn) and funding winter led to erstwhile investor exits.

**Acquisition:** Aurum acquired 100% of rental discovery platform in Jun-23 for Rs.900mn, with FY22 sales at about Rs.243mn, valuing the acquisition at 3.7x of FY22 sales. Aurum invested an additional Rs. 800mn to stabilize the company. Prior to acquisition, i.e., in FY-22, Revenue stood at Rs. 837mn and had a loss of Rs. 950mn. With a slew of restructuring efforts, ARR for Q4'FY24, ARR stood at Rs. 360mn, and Nestaway achieved break-even in Q3'FY24. As of Q4'FY24, Nestaway has 10,700 beds, and aspires to achieve occupancy of 50,000 beds by FY2027.

**Target Audience:** The target audience ranges from 25-35 years old, professional and family based tenants.

**Business Model:** Nestaway recognizes only commission Revenue, following an asset-light approach. In terms of financials, it recognizes commission income on rental income generated by homeowner on its P&L, which typically ranges 10-20% of rent. Average lease tenure for assets in its portfolio is 4 years.

**For Tenants:** Nestaway offers rental solutions using tech. services such as: move-in assistance, home maintenance such as cleaning and repairs, online rent payments, and move-out support.

#### **Nestaway**

**Robust historical data pool to be leveraged.**

**End-to-end management for homeowner, broker free experience for tenant.**

**Restructuring exercise is well-behind and is now focused on growth.**

**For Homeowners:** Undertakes 360° marketing efforts (10+ listing portals, verified brokers, to-let boards, etc.), KYC-verified process of tenants, free-assisted visits, best price guidance, monthly on-time rent collection, and regular property inspections and on-demand services. Presently, Owner attrition, is at 8%, and company aims to improve this.

#### **Our View**

**Comprehensive Past Database and Growing Supply:** Since its establishment in 2013, Nestaway has successfully accumulated a vast database of homeowners renting their properties (100,000 units). The company's website consistently attracts over 200k+ monthly visits, and management anticipates generating 4k to 5k organic leads each month from satisfied customers' referrals.

**Resolves Asset Owner as well as Tenant Pain Points:** Nestaway takes care of end-to-end management for the homeowner/asset owner: From sourcing to signing up tenants to KYC/background verification to digital agreement signing, maintaining the property and completing exit formalities of outgoing tenants. For Tenant, Nestaway provides a broker-free experience, hassle-free onsite visits, and on-demand maintenance/repair services. One of the key differentiators in Nestaway lies under the offering that once a tenant signs up for a property, he/she can move to another Nestaway database listed property easily (after paying exit charge).

**Restructuring to a New Profitable Base:** Aurum has changed business model from fixed commitment on rent (paying upfront cash to homeowners), to percentage of Revenue model, i.e., implied commission on matchmaking (earlier management was compensating for occupancy risk/occupancy dip as well).

Post acquisition, Aurum downsized NW's presence from 14 cities to 6 cities, while team size reduced from 350 to 195 employees, and rationalizing salary structures. In Q1'FY24, Operating EBITDA loss was at Rs. 68.4mn, which lowered to Rs. 14.2mn in Q2'FY24 and achieved break-even in Q3'FY24. Nestaway also achieved early profit in Top-5 cities and continued modest profits in Q4'FY24. Apart from non-profitable city exits and employee downsizing, Aurum rationalized tech and infra costs, undertook branding efforts and addressed customer grievances.

Going forward, growth capital and maintenance capital is expected to be minimal. Hence, we believe that Nestaway is well placed to improve its market positioning with profitable unit economics, which will bring sustainable growth and success in the future.

## Exhibit 16: Traffic Metrics vs. Peers

Nestaway	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	82,183	1,57,807	1,53,066	1,71,652	1,36,441	1,25,510	72,423	53,329
Paid Traffic (Mobile)	2,685	18,248	25,207	893	9,951	2,460	Nil	46
Paid Traffic as a %	3.3%	11.6%	16.5%	0.5%	7.3%	2.0%	N.A	0.1%
Organic Traffic (Web)	2,00,949	2,65,866	2,55,152	3,22,305	2,29,167	2,02,900	1,44,155	84,189
Paid Traffic (Web)	3,103	8,612	10,627	7,468	4,483	5,555	Nil	20
Paid Traffic as a %	1.5%	3.2%	4.2%	2.3%	2.0%	2.7%	N.A	0.0%

Housing.com	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	74,59,502	1,37,63,599	2,02,97,421	2,86,08,609	1,73,60,372	1,55,58,669	1,13,38,492	1,03,58,883
Paid Traffic (Mobile)	2,04,365	86,464	96,452	66,876	49,259	60,948	3,11,057	89,956
Paid Traffic as a %	2.7%	0.6%	0.5%	0.2%	0.3%	0.4%	2.7%	0.9%
Organic Traffic (Web)	1,55,08,577	2,42,32,387	3,27,06,427	4,39,41,827	2,51,99,149	2,40,74,127	1,97,00,754	2,07,62,244
Paid Traffic (Web)	62,165	12,743	30,505	58,147	30,820	37,955	26,830	14,527
Paid Traffic as a %	0.4%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%

Nobroker.com	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Organic Traffic (Mobile)	21,75,891	37,06,033	57,00,797	63,03,086	40,77,603	41,32,079	44,39,952	53,10,334
Paid Traffic (Mobile)	1,93,282	3,42,380	2,98,873	2,31,963	4,19,027	4,90,508	2,36,052	84,245
Paid Traffic as a %	8.9%	9.2%	5.2%	3.7%	10.3%	11.9%	5.3%	1.6%
Organic Traffic (Web)	46,97,138	74,38,949	1,03,27,929	1,09,05,268	80,05,730	83,05,166	8,78,34,132	1,16,01,975
Paid Traffic (Web)	92,760	95,522	2,55,024	3,04,503	5,57,684	4,37,112	1,92,059	1,66,835
Paid Traffic as a %	2.0%	1.3%	2.5%	2.8%	7.0%	5.3%	0.2%	1.4%

Source: Semrush

## Exhibit 17: Financials vs. Peers

Nestaway	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	533	731	1,138	1,220	837	451
PAT	(1,584)	(2,503)	(1,943)	(658)	(950)	(792)

NoBroker	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	139	216	794	2,165	3,698	N.A
PAT	(314)	(465)	(996)	(1,898)	(3,091)	

Housing.com	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	589	821	994	2,109	3,885	N.A
PAT	(771)	(718)	(943)	(1,499)	(1,765)	

99acres.com	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	1,350	1,920	2,280	1,848	2,312	3,116
EBITDA	(30)	(220)	89	(222)	(782)	(1,074)

Source: DART, Company

### Exhibit 18: Nestaway vs. Other Platforms and Agents

Feature	Nestaway	Other Listing Portals	Real-estate Agents
Renting Price Guidance	✓	✗	✗
Online Marketing on Own Website	✓	✓	✗
Online Marketing on Multiple Websites	✓	✗	✓
Offline Marketing in and around the house	✓	✗	✓
Physical House visits for Tenants	✓	✗	✓
Virtual House Tours for Tenants	✓	✓	✗
Tenant Background verification	✓	✗	✗
Rent Agreement & Paperwork	✓	✗	✓
Rent Collection & Remittance	✓	✗	✗
Deposit Management & Refund	✓	✗	✗
Dedicated Relationship Manager	✓	✗	✓
App-Based assistance	✓	✗	✗

Source: DART, Company

### K2V2 – (a) Sell.Do and (b) Beyond Walls - 20% of Revenue

**Background:** K2V2 is a software technology firm providing Software SaaS based products, services and Enterprise Softwares required for Real Estate and has the largest market share in RE CRM, Sales Automation and Marketing. It has two key offerings: - 1) flagship CRM product “Sell.do” and 2) Beyond Walls- a broker aggregation platform. K2V2, contributed Rs.436mn to FY24 Revenue (~ 20% of Revenue).

**Acquisition:** In Jul-21, the company announced acquisition of 51% stake in K2V2 Technology for Rs 400 Mn. At the time of acquisition, Sell.Do achieved an improved annualized run-rate of Rs. 190mn (FY21: Rs. 114.3mn). It had 485 B2B accounts, primarily in metro cities. Later on, the company also incubated Beyondwalls business within the same business unit.

#### (a) Sell.DO

**Business Model:** Sell.do is CRM solution that offers industry specific features such as inventory management, channel partner management to post sales management. It operates under SaaS model.

### Exhibit 19: Sell.Do Features

For Developers	For Brokers
Marketing Automation	Inventory Matching & Management
Lead and Inventory Management	Automated Lead Capturing & Management
Online Selling of Properties	Performance Analytics
Performance Metrics	Whatsapp Migration
Sharing & Collaboration	Remote Team Management

Source: DART, Company

## Exhibit 20: Sell.Do Cost Comparison with Salesforce CEM

Key Features	Sell.Do	SalesForce CRM
Fields	Custom Fields	Available
Full Call Centre Software	Available	
Comprehensive Set of Forms	Booking Form with Support for Agreement + Brokerage Calculations	3rd Party
Integration	Integrated Whatsapp	3rd Party
Access	Customer Access & Online Interface	3rd Party
Dynamic Pricing & Booking	Online Bookings, Schemes & Discounts	3rd Party
License Cost (Sales User)	Rs. 2,599 per month	Rs. 1,750 per month
License Cost (Marketing Automation)	Rs. 5,599 per month	Rs. 185k per month
Customization	Nil	Rs. 400K
Cost of Implementation	Rs. 35K	Rs. 100K
Support	Free	Extra Charges
Total Cost of Ownership p.a	Rs. 134.5K	Rs. 748K
Total Implementation Time	72 hours	90 Days

Source: DART, Company

### Sell.Do

**SaaS CRM solution for real estate developers.**

**Bet on increasing no. of developers adopting digital tools.**

**Strong market positioning and expanding reach.**

Sell.Do offers higher no. features vs. large peer such as Salesforce, largely because of its customized and real-estate focused offering. As per independent software review website Capterra, Sell.Do received rating of 4.7 out of 5 in 101 reviews. G2.com, based on 97 reviews, gave Sell.Do 5/5 rating, with ranking based on ease of use, customer service, features and value for money parameters.

**Pricing:** Pricing varies by size of developers/project and no. of projects. For Mid-market developers, usually with a single project at hand, Sell.Do charges Rs. 40-50K per month. Mid-market users seldom utilize advanced features such as chat-box and AI. For Developers with 4-5 on-going projects, Sell.Do charges Rs. 200K-Rs. 400K, and these are majority of the customer base. For about 40-50 customers that are large developers, Sell.Do charges Rs. 150K per month.

### Our View

**Transforming Market via Digitisation:** Overall, specialized business software adoption, including CRM remains low in India. However, with software vendors engaging client organizations on benefits of transforming sales, productivity, customer retention, brand value and ensuring ROI, the unmet real-estate developer need to embrace digitization will see greater adoption going forward.

**Resolves Developer Pain Points:** For Developers, Sell.Do helps digitize the process of sales, marketing, site visits, e-payments and post-sales activities. Regular engaging and re-engaging of leads, prioritizing right leads, and nurturing leads has helped developers achieve greater end-customer interaction, better bookings, and improve marketing and sales efficiency. On an average, adoption of Sell.Do has helped achieve 20-25% lead (online project demonstration) to booking conversion for customers. On ROI, management exclaims that on average, 10 sales closures justify the cost of CRM to the developer.

**Strong Market Positioning and Expanding Reach:** Sell.Do is amongst the few real-estate focused CRMs in India with customized features developed for Indian realtors. Presently, Sell.Do has about 650+ customers, and India has about 13K+ real estate developers at present, implying about 5% market share. Amongst mid-market and

large developers, Sell.Do has 25% market share. While present primarily in metros, Sell.do is now expanding to tier-2 cities such as Lucknow, Coimbatore, etc. Sell.do has no direct competition in terms of real-estate focused CRM, while larger peers comprise of Zoho CRM, Salesforce CRM, etc.

### **(b) Beyond Walls (BW)**

#### ***Beyond Walls***

***In-house developed  
broker aggregation  
platform and marketing  
related services for real  
estate developers.***

Beyond Walls is a real-estate marketing platform (built in-house) for real estate developers and brokers to simplify property selling. BeyondWalls is part of K2V2 and is offered with Sell.Do to developers as an upsell offering.

Using digital marketing and social media, developers can showcase properties that can help reach a wide as well as targeted audience. Beyond Walls also helps host virtual tours and open houses also attracts potential buyers.

Beyond Walls brings in rated, reviewed and certified channel partners/brokers providing better quality of salesforce to developers.

#### **Services Offered:**

**For Developers:** Beyond Walls offers services ranging from market research, marketing strategies, project launch planning, social media marketing, SEO and website management, and business intelligence.

**For Broker Network:** Beyond Walls offers the right incentives (timely full brokerage, site visit incentive, booking incentive, special rewards, etc.) and market leads (working with top developers, promotional material, info on new launches), etc. Aurum has a network of ~7,500+ broker channel partners.

**Business Model:** For developers who launch their products or projects, BeyondWalls earns Fee Revenue as platform fee for listing and commission from transaction model for all transactions undertaken on the platform. Transaction fees/Commission Rate on sales can range from – 1% to 1.25%. For few developers, 3%+ is also charged, depending on the project.

For the brokers/agents, Beyond Walls has a subscription model to access special features. and are also a part of loyalty program. The platform gets paid for closure. Beyond Walls for brokers, was launched as a pilot in Pune and is currently the market leader for this market.

For real estate developers, Beyond Walls aids in sales campaigns and customer engagements. As presented in Exhibit 21, Beyond Walls has helped deliver strong traffic, which resulted in engagement and sales.



## Exhibit 21: Projects and Target Achievements

Project	Location	Time-Frame (months)	Site Visits	Units Sold/Bookings	Revenue	Marketing Cost as a % of Spends
SubhTristar	Koregaon Park	2	500+	40+	N.A*	N.A*
Eastern Residency	Pimple Gurav	18	3,500+	400+	N.A*	N.A*
Sommet	Kothrud	N.A	1,209+	221	Rs. 1.1Bn	0.8%
57 Elevate	Pimpri Chinchwad	4	1,996+	150+	Rs. 1Bn	0.7%
Ashok Van	Gahunje	N.A	488+	250+	N.A*	N.A*
57 Midtown	Akurdi	1	N.A	90+	Rs. 1Bn	3.7%
Aishwaryam Insignia	Akurdi,	1	N.A	120	N.A*	4.5%
Vision Exotica	Bhosari	6	500+	207	Rs. 1.4Bn	0.9%

Source: DART, Company, \*NA – Data not shared.

**Clients:** While BW's primary market and market leadership is in Pune (most project launches in Pune are done in BW), it has also signed up 1,000+ real estate developer clients across India. Prominent names include: Oberoi Realty, Mahindra Life Spaces, Shapoorji Pallonji, DLF, Hiranandani, etc. BW is working to expand presence in other cities as well and has recently started building presence in Bengaluru.

### Our View

**Standardizes Broker Partnerships:** With a network of 7,500+ brokers, BW is formalizing the unorganized market with a gamified incentive/reward system to better manage a project launch. BW provides training, coaching and regular updating to this network. Beyond Walls Broker App provides a single platform offering - Flexibility (targeting and prioritizing specific properties), better customer service (attend customer enquiries, approach potential customers with new listings), and better visibility of developer projects.

**Back-End Solution for Developers using Sell.Do:** Beyond Walls solution is positioned as a back-end solution for Sell.Do to better enhance real estate developer sales via broker aggregation. For most projects in India, ~50% of inventory continues to be sold via channel partners, making them an important part of the sales value chain. For a real estate developer, BW also simplifies the process of re-onboarding brokers for newer projects via a single platform, i.e., developers need not re-start the process from scratch of getting brokers again for a new project every year. All brokers on BW platform are RERA registered, lowering need for compliance and KYC for developers.

**K2V2 Gearing for Growth with changed Operating model:** For FY24, K2V2 reported Revenue of Rs. 436mn, down 14% YoY as it evolved its business model from exclusive project sales to developer level AOP model (annual target on unit sold for a pan-India developer). In FY23 revenues for K2V2 were up 140% YoY at Rs507mn and PAT loss of Rs.100mn. Incremental Revenue for FY23 has been Rs. 296mn, while incremental cost has been Rs.183mn (For FY22 it has been Rs. 96mn and Rs. 72mn), demonstrating limited cost increase vs. revenue addition. We believe K2V2 is investing to improve growth, and losses are to be contained.

## Aurum Analytica (~10% of FY24 Revenue)

**Background:** Blink Advisory Services Pvt. Ltd. with the platform 'Career Socially', was founded by 3 data scientists – Prakash Teiwani, Sahil Rathore, and Vishal Sharma in 2011. Aurum acquired 100% of Blink Advisory Services Pvt. Ltd. in May-22 for Rs.235mn. This business was later re-branded as Aurum Analytica.

### **Aurum Analytica**

*Similar to an Ad-Tech business, this business provides qualified leads for real estate developers.*

*Strong presence with top developers as well as mid-sized developers.*

*Capability to go beyond lead generation to executing a campaign from data driven insights.*

**Business Model:** Aurum Analytica platform provides real estate developers with leads that are generated via variety of data insights to help accelerate sales.

Leads are generated through an AI system that analyzes various digital platforms, including social media, blogs, and review sites, to identify potential customers based on demographics. The company considers a lead as someone who fills out a preliminary form with budget and location information. Within 48 hours, they receive a brochure via email or WhatsApp, and if they show interest, they become a qualified lead. This process helps minimize junk leads and ensures efficient targeting.

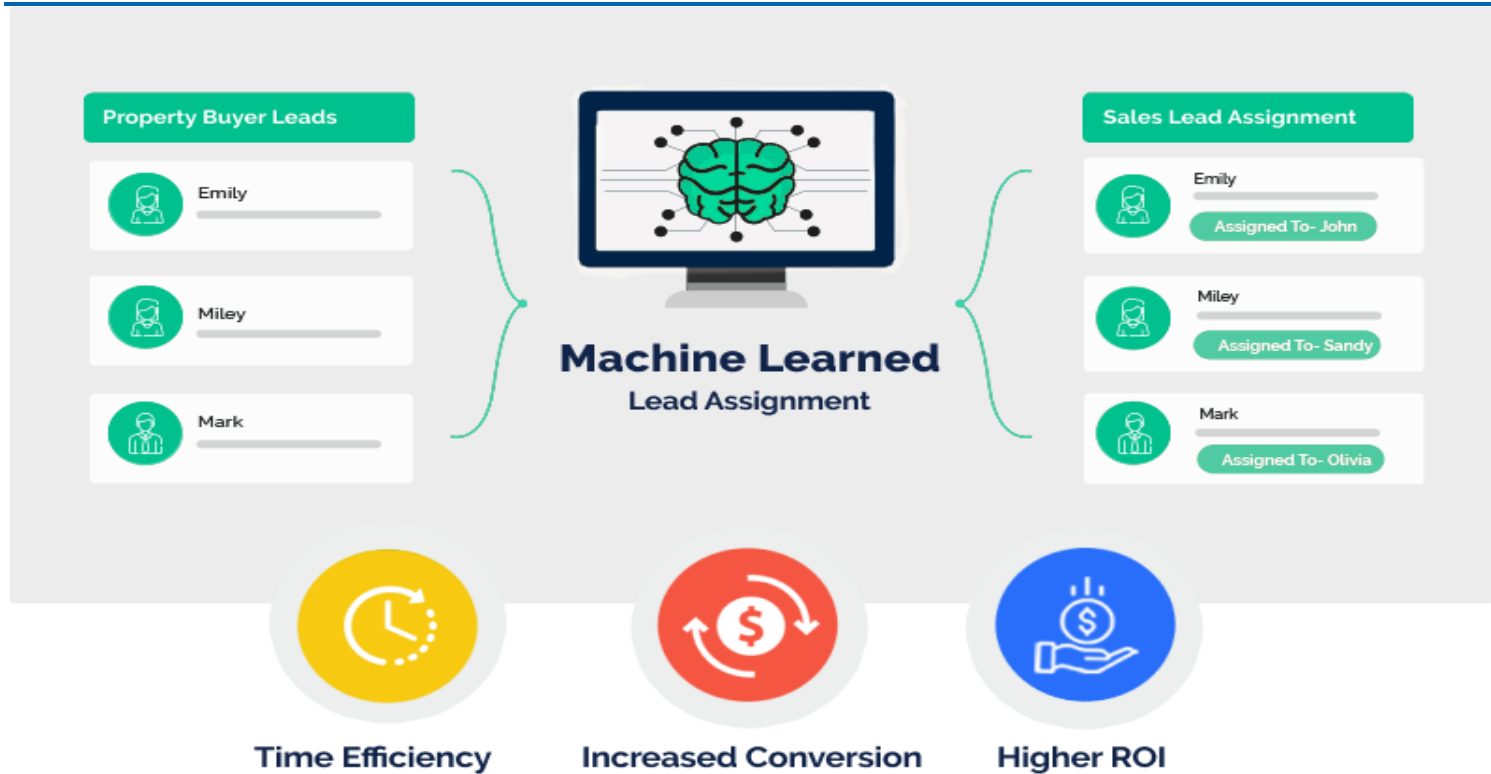
AA generates revenue from per-qualified lead provided to developer, with differential pricing as per developer's market vintage (i.e., higher pricing for newer developers). On an average, Revenue per lead is Rs. 1,000-Rs1,200, which is higher compared to its peers such as 99acres (around Rs.400) given its superior conversions of 7-8% Vs 3-4% for peers.

As per management, Aurum Analytica can command 30-40% premium over other non-AI based solutions, and its data-analytics based models help enable trust and a better matchmaking between buyers and sellers.

**Analytica has 3 solutions:** 1) Automate Leads, 2) Agent Connect and 3) HousingMan.

**1) Automate Leads:** Provides customers access to custom Data of over 150mn profiles. Machine learning algorithms search & sieve through extensive pool of proprietary data points and discover audiences that can be potential and quality home buyer leads for developers.

## Exhibit 22: Automate Lead Features



Source: DART, Company

- 2) **AgentConnect:** This is a platform designed and developed to assist real estate developers' data access regarding the presence of registered and 'relevant' broker agents in a chosen geographical position. It aims to minimize the expenses of each participant in real estate transactions.

## Exhibit 23: Features of AgentConnect



Source: DART, Company

- 3) **Housingman.com:** This is an online property discovery platform, offering options from 1 BHK, 2 BHK to 6 BHK flats, villas and plots from thoroughly verified and certified builders. Listing covers cities of Mumbai, Bengaluru, Chennai, Pune, and Delhi NCR.

**Clients:** Godrej Properties, DLF, Embassy Group, Tata Housing, Hiranandani, JP Infra, Eldeco, Trident Realty, etc. Aurum Analytica counts 15 enterprise clients (7 of Top-10 developers as clients) and 100+ mid-size developers as clients. Aurum Analytica has presence 17 cities in India.

### Our View

**Strong Presence with Reputed Clientele:** Since its inception in 2011, AA has built a comprehensive historical database on past transactions, customer behavior /preferences and micro market insights. Today, with 15 enterprise clients (7 of top Indian developers are AA's clients), 100+ mid-size clients, Aurum has been able to report 90%+ renewal rate, the data analytics suite has built a notable presence.

**Lead Generator to Campaign Manager:** While AA does provide qualified leads, it also helps developers in development of a campaign plan and its execution. AA uses machine learning to narrow down focus to identify custom data set of customers (e.g. identifying CXOs for an ultra-luxury project). This data set allows developers' sales teams to target, and re-target leads appropriately for engagement and conversion rates.

**Financial Performance:** For FY'24, Aurum Analytica reported Revenue of Rs. 220mn growing over 3x compared for its FY23 revenues of Rs68mn and PAT loss of Rs. 4.6mn.

### Other Products/Solutions - 7% of Revenue

Apart from the above 5 products contributing ~93% of revenue, Aurum has acquired/built in-house 9 other products/solutions which are gradually climbing scale. These include: **1) Aurum WiseX** (Fractional Ownership platform), **2) Integrow** (Real Estate AMC), **3) TheHouseMonk** (Residential property management platform), **4) TheOfficeMonk** (Commercial property management platform), **5) TheMallMonk** (Mall management platform), **6) Aurum InstaHome** (Digital home valuation), **7) Aurum KuberX** (Digital lending aggregator for home loans), **8) Aurum Crex** (Property listing platform), **9) Aurum Liv** (Property listing platform).

Entities which have seen significant stake comprise of: TheHouseMonk (presently 40%, but upon conversion, stake may get upped to 51%), Integrow (49% stake), and Aurum WiseX (formerly Myre Capital, 100% stake).

### Aurum WiseX (Fractional Ownership)

In May-23, Aurum announced acquisition of Myre Capital (acquihiere). Myre capital owned a technology platform that facilitates investors in fractional ownership of commercial properties. This platform was subsequently renamed to Aurum WiseX.

Aurum WiseX focuses on fractional ownership on commercial real estate to create a institutionalization of 'Quasi Single Property REIT' instead of Portfolio asset approach in REIT structure. Fractional ownership helps investors provide low ticket size participation, convenience (via digital platforms), attractive returns (commercial properties target 11-12% rental yields at minimum), and asset diversification.

#### Aurum Analytica

*Similar to an Ad-Tech business, this business provides qualified leads for real estate developers using variety of data insights.*

## Exhibit 24: REITs vs. Fractional Ownership

REITs	Fractional Ownership
Regulated	Unregulated, but trending towards regulation
No Maintenance charges	Brokerage and maintenance costs
Low minimum investments	High investments
Relatively liquid	Illiquid compared to REITs
Higher no. of individual investors	Fewer investors

Source: DART, Company

### Aurum WiseX

**Platform for opportunity into niche yet developing fractional ownership space.**

**Recently, acquired a commercial property asset in Pune (Sky One Corporate Park, Viman Nagar) for Rs. 700mn.**

**Key Benefits of REITs vs. Fractional ownership:** a) Fractional ownership offers a greater control (part ownership, while REITs offer no direct control), and free transfer of ownership, b) Greater freedom to investor on kind of property (e.g., Invest in locations e.g., Bengaluru over other cities, infact it gives option of investing in 1 specific asset – that can be chosen based on preference for particular micro-market or even tenant longevity and so on), and c) REITs are subject to stock market fluctuations, while fractional ownership investments are relatively stable in terms of rental yields.

**Key Downsides of Fractional Ownership:** a) REITs can provide access to smaller ticket size, b) Diversification - REITs are able to offer portfolio level diversification as it invests in a variety of properties, while high ticket size based fractional ownership requires investor to undertake his own diversification needs.

**Business Model:** WiseX brings high-grade institutional grade investment opportunities on the platform to attract potential investors. It earns a management fee (1% of investment) and performance fee (~20%, on sale/completion of investment horizon and upon clearing of a hurdle rate, e.g. 10%). Presently, investors are required to invest a minimum Rs. 1mn under MSME REIT, which was Rs2.5mn till Mar'24.

**Past Success:** Past success in attracting investors include: Magarpatta Cybercity 1 & 2 (Pune), Maker Maxity (BKC, Mumbai), Times Square (Andheri, Mumbai), Vaishnavi Tech Park 1 & 2 (Bengaluru).

**Current Scenario:** Recently, WiseX has acquired a commercial property asset in Pune (Sky One Corporate Park, Viman Nagar) for Rs. 700mn. In Q4'FY24 concall, the company mentioned that it is in process of applying to SEBI for recognition as a MSME REIT and acquire more assets.

## Integrow (RE focused Asset Managed Company)

**Background:** On Oct 30, 2021, the company acquired 49% stake in Integrow Asset Management for Rs.250 mn. Aurum also subscribed to Optionally convertible Debentures (OCD) of Rs. 25mn issue by Integrow. Integrow provides investment management services by identifying and managing real estate investments.

The company operates under 3 businesses: a) Residential Real Estate, b) Commercial Real Estate, and c) Portfolio Management Services.

**Residential RE Fund:** Under this business, Integrow operates Integrow Real Estate Special Situation Fund (IREF) (regd. as Category 2 AIF), a closed end fund, focusing on providing high-yielding working capital (Fixed coupon + Redemption Premium) to completion and last-mile funding for residential projects in Mumbai & Pune.

**Commercial Real Estate Fund:** Under this business, Integrow operates India Grade A Office Fund (SEBI Registered Category 2 AIF). This too, is a closed end fund, focusing on wealth multiplier returns, to buy, enhance and exit projects (Cash Yield + Capital Gain). Fund targets Grade A Offices in Mumbai, Bengaluru, Delhi, Pune, Hyderabad, Chennai and their suburbs.

**Portfolio Management Services:** Integrow's PMS provides customized investment solutions to deliver risk-adjusted naturally hedged returns aligned with individual goals and risk profiles. Integrow PMS is focused on real estate and pivoted assets, including listed equities, listed equities, REITs, and unlisted debt.

**Business Model:** Integrow aims to deliver 12-18% IRR (net) and earns revenue in form of management fee (4-6% of AUM), and on investor on-boarding. As of Nov-2023 the company had an AUM of Rs. 40Bn.

#### *Integrow*

*AMC Business managing funds investing in Residential and Commercial real estate, and offering) Portfolio Management Services*

**Financial Performance:** In FY23, Integrow reported Revenue of Rs. 9.5mn but given the early stage of the business posted a loss of Rs. 11.3mn.

#### **Monk Tech Labs (Property Management Solution)**

**Background:** Aurum acquired Monk Tech Labs Pte, a Singapore based rental management software in Dec-21 for Rs. 150mn in cash for 41% stake and a subscription of optionally convertible debentures worth Rs. 225mn, with stake of 10%, totaling to Rs. 375mn. Presently, Aurum has 41% stake. Based on FY21 sales of Rs. 10.6mn, the transaction was valued at 28.3x of Sales. However, sales have subsequently expanded, and FY23 sales stood at Rs. 35.6mn.

#### *Monk Tech Labs*

*Rental management SaaS platform company with solutions for residential and commercial properties*

**Product:** Monk Tech Labs owns 'The House Monk', a rental property management software. It has different use cases for – a) Property Management, b) Co-Living, c) Student Housing, d) Co-Working, e) Office Park, and f) Managed Office. Monk Tech Labs was founded by Mr. Ajay Kumar and Mr. Balaji Varadharajan in 2018.

**Business Model:** The House Monk is a SaaS platform for residential properties and charges a monthly/annual fee for platform usage, depending on the use case and additional features, if availed. On the other hand, The Office Monk is built primarily for 2 key segments: Coworking spaces and Office parks.

The House Monk (THM) software helps property managers and landlords monetize, maintain and manage their rental portfolio. This is achieved by bringing and managing owners, managers and tenants of rental properties onto the same technology platform.



## Exhibit 25: Module, Pricing and Features

Module	Core	OPS*	Circles	Grow
Monthly Price#	Rs. 8,200	Rs. 8,200	Rs. 8,200	Rs. 9,840
Feature	Property Management activities	Digitize operations & automate workflow	Improve tenant experience & create engaged communities	Improve occupancy & maximize revenue
	Lease Management	Preventive and Planned Maintenance	Facility Management	Website builder
	Data Repository	Assets Register	Events	
	Booking Management	Work Order	Marketplace	

Source: DART, Company, #Per 100 units to be managed.

\*OPS – Operation & Maintenance activities

**CORE Module:** It enables landlords & operators to track leases & streamline property management efficiently.

**OPS Module:** It focuses on digitizing operations & maintenance activities via a mobile app.

**CIRCLES Module:** It provides an app designed for employees in office buildings, enabling them to manage their relationships with the office space and their co-workers.

**Add-Ons Include:** Fee-based add-ons (One-Time, and/or Recurring) include: Whitelabeled apps and portals, Door Access integration, Payment gateway, Accounting Integration solutions, Data Migration solutions, Training Services, etc.

**Key features include:** a) Asset Marketing, b) Communication Management, c) Brand White-Labeling, d) Booking and lease management, and e) Operations Management (Automated Rent Collection).

**The Office Monk (TOM):** During Q1'FY24 Monk Tech Labs launched B2B commercial rental property management software (SaaS), 'The Office Monk'. This software helps streamline workflows, help members connect with each other for meetings/events, aid quick booking of shared amenities, manage visitors, accounts, and provide analytics (e.g. occupancy). It is targeted at Tech Parks, Managed Offices, and Co-working companies.

**The Mall Monk (TMM):** It is a software solution aimed at malls/shopping complexes, and it helps digitize operations and provide offering to retailers/shoppers. Both, TOM and TMM are relatively newer solutions and are expected to see better traction going forward.

**Clients:** CoLivWoo (Singapore), Grexter (Bengaluru), Cove (Singapore), Boston Living (Hyderabad), Housr (Pune and other cities), Hive (Metros), Itihad Community Management (UAE), Xacco (France), etc. It has active presence in 15 countries.

**Financial Performance:** Monk Tech Labs reported Revenue of Rs. 35.6mn in FY'23 and given its early days of creating newer use cases and modules continues to operate at a PAT loss of Rs.71.5mn.

### Aurum Crex (Digital Experience Advisory)

**Business:** An organically developed solution, Aurum CREX stands for Customer Real Estate Experience, a technology enabled real estate advisory for real estate consumers that provides a curated purchase experience.

**Target:** Aurum CREX's advisory team identifies marquee projects and works with asset owners to provide purchase advisory.

**Capability:** Aurum CREX has 3 modules: 1. 'CREX Discover' ensures that with the use of technology, the prospective purchasers are provided project information with speed, precision, and finesse. 2. 'CREX Win' ensures a consistent, seamless, and pleasurable tech-led purchase experience for prospective purchasers. 3. 'CREX Nurture' deals with the post-purchase experience of the buyers and provides services for nurturing relationships, process-driven collection, and curated communication of information to buyers up to the handover of the project.

#### *Aurum Crex*

*Provides advisory services for purchase and post purchase in marquee projects.*

#### *Aurum InstaHome*

*Provides consumer platform for instant property valuation.*

*Aurum KuberX  
Home loan aggregation and SaaS platform for homebuyers*

#### *Aurum Liv*

*Residential listing platform*

### Aurum InstaHome (Instant Home valuation)

**Business:** Aurum InstaHome is a consumer platform for homeowners. This platform provides instant property valuations to homeowners to help aid the decision-making process in selling the property. As per FY'2023 AR, the platform has access to data in over 200+ locations.

### Aurum KuberX (Digital Lending Aggregator)

**Business:** Aurum KuberX is a home loan aggregation and SaaS platform for residential real estate buyers to select and apply for loan applications. Key features include end-to-end customer journey till Home loan sanction, digitized verification and loan processing system, CRM managed tools for agents and lenders, AI-based loan recommendation through decision tree on bank policies.

Aurum KuberX seeks to connect financial institutions, potential home loan customers, and real estate developers through a frictionless, fast and innovative loan processing process.

For FY'23, KuberX processed loans worth Rs. 1bn from its platform.

### Aurum Liv (Classified)

**Business:** Aurum Liv is an organically developed product, that is envisaged to be a complete stack transaction platform for residential real estate.

**Target:** The product aims to be a digital purchase platform for real estate projects to help increase transparency and trust between buyers and sellers in real estate transactions.

**Capabilities:** The platform brings in tools and features for real estate developers to list their inventory, display project features, provide real-time updates until level inventory management information and enable online purchases for their properties. The platform is integrated with its products like CRM, Sell.do and Broker Aggregation platform BeyondWalls to leverage their strength into this platform. For the buyers, it provides micro market analysis, project information, financing options, interior design options, and various features to enhance their purchase experience. The product has completed MVP-1 and is presently in 'Go to Market' planning phase.

## Key Competitors

Company	Brief Overview
<b>Quinto Andar (Co-Living)</b>	Quinto Andar is a Sao Paulo (Brazil) based real-estate platform (residential) that connects potential tenants with landlords, and offers a variety of other services, such as property management, tenant screening, and insurance, and overall aims to simplify renting process between landlords and tenants. It was found by Gabriel Braga and Andre Penha in 2012 and has built presence in 40 cities across Brazil. It has received funding of ~\$755mn and was last valued at \$5.1Bn in Aug-21.
<b>Zillow Group Inc (Online Discovery Platform)</b>	Zillow Group Inc is a Proptech that offers an on-demand experience for selling, buying, renting, or financing with transparency and ease. The group works with real estate agents, brokers, builders, property managers, and landlords to pair technology with top-notch service. The group has brands such as Zillow, Trulia, StreetEasy, Hotpads, Zillow Rentals, Zillow Home Loans, ShowingTime, Follow Up Boss, Aryeo and others. Zillow posted Revenue of \$1.9Bn in CY2023 with a PAT loss of \$158mn.
<b>ZoloStays.com (Co-Living)</b>	ZoloStays is a Bengaluru based platform focused on providing co-living solutions to students and young professionals. It was found in 2015 by Akhil Sikri, Nikhil Sikri and Sneha Choudhary. It raised ~\$110mn and was last valued at \$161mn in Oct-22. As of Aug-23, ZoloStays had total capacity of 45,000 beds and aimed to raise this to 100,000 beds by end of FY'24. It reported FY23 Revenue of Rs. 990mn and PAT Loss of Rs. 690mn.
<b>Stanza Living (Co-Living)</b>	Stanza Living offers student housing, co-living for professionals, and managed apartments (furnishings and amenities) for couples/families. It was co-founded by Anidya Dutta and Sandeep Dalmia in 2017. As per the website, Stanza Living has 70K beds and has presence across 24 cities. The company has raised \$186mn and was last valued at \$450mn in Nov-23. In FY23, it reported Rev of Rs. 4,581mn & PAT loss of Rs. 4,950mn.
<b>RealPage, Inc</b>	Real Page is a provider of AI-enabled property management software for residential assets. It offers OneSite, a property management system, with features such as accounting, revenue management, business intelligence, utility management, and more. Additionally, it also provides on-site energy auditing services to save energy and water usage. Serves multiple industry verticals such as conventional services, enterprise, institutional, affordable HUD, student living, military housing, tax credit, etc. RealPage was acquired by P.E firm Thoma Bravo in April 2021, at a valuation of \$9.6Bn. Its last reported Revenue for CY20 stood at \$1.2Bn, with a PAT of \$46.3mn.
<b>MyGate (Real Estate CRM)</b>	MyGate is a security, ERP application (app), that is aimed at residential societies and offices that offers visitor management, staff management, accounts and payment management (society maintenance) via mobile app. MyGate has raised \$80mn in funding and was last valued at \$206mn in Nov-22. It reported Rev. of Rs. 772mn and a loss of Rs. 2.3Bn in FY23.
<b>Property Share (Real Estate Investment Platform)</b>	This is a Real estate is a tech platform that provides potential investors access to institutional grade commercial real-estate with property management and liquidity through re-sale. Property Share raised a total funding of \$52mn and was last valued at \$164mn in Jun-22. Presently, it has 23 investment properties spread across Bengaluru, Pune, Mumbai, Hyderabad Jaipur in India and in the U.K. It reported sales of Rs. 294mn and a loss of Rs. 71mn.
<b>Housing.com (Residential Discovery Platform)</b>	Found in 2012, Housing.com is an advertising platform for homeowners, landlords, developers, and brokers. It offers listings for new homes, resale homes, rentals, plots and co-living spaces in 9 cities in India. Housing.com also provides a platform for outright purchase of apartments, plots, including for commercial purposes. Housing.com merged (valued at \$70mn) with PropTiger (valued at \$200mn+) in 2017 and was acquired by Australia based REA group in Oct'20. In FY23, Housing.com reported Rev of Rs. 3.8Bn and PAT loss of Rs. 1.7bn and was last valued at \$126mn.
<b>NoBroker.com (Residential Discovery Platform)</b>	NoBroker is a real-estate platform that lists & provides properties for outright sale as and rent (residential/commercial). It has a presence in 11 cities. It was last valued at \$972mn in Mar-23. It reported Rev. of Rs. 3.7Bn and PAT loss of Rs. 3Bn in FY22.
<b>Zoho (Multi-discipline CRM)</b>	Zoho is a business software solutions provider and was founded in 1996 by Sridhar Vembu and Tony Thomas with HQ in Chennai. Zoho Corporation has 55+ products that cover sales and marketing, support and collaboration, finance, and recruitment. Zoho's has 100mn+ users across all 55 business applications and spread over 150 countries. Zoho's Real estate CRM is offered as a customized solution. Zoho has been entirely founder funded (bootstrapped) and was last valued at \$5.9Bn. It reported Revenue of Rs. 91.6Bn and PAT of Rs. 28.5Bn in FY23.

(Source: Company website, Traxcn, Pitchbook, Techcrunch)

## Risk Analysis

**Macro Risks in Real Estate:** Macro risk factors such as - economic volatility (lower/stagnant property demand), regulatory/legal hurdles, rising construction costs and consumer preferences, affects not only real estate sector, but also PropTech. Any saturation in demand or economic slowdown, coupled with unfavorable interest rate regime will affect real estate sector and subsequently, PropTech. Affordable Housing, Smart cities mission, improving RERA/GST compliance has led to growing investments from private players, potential homeowners, and foreign companies, lowering macro risks being faced by real estate sector.

**Niche and Developing Market:** While Aurum operates in a variety of areas, ranging from CRM solutions to rental platform to capital/investment opportunities, these opportunities are yet to demonstrate scale and profitability. While Aurum group itself has a well-seasoned experience in the real-estate sector, PropTech is a relatively niche market. Aurum's growth itself has seen acquisitions of stressed entities, which means walking the tight rope of balancing market creation opportunities while maintaining unit economics.

**Competitive Market in Rental & Co-Living Platforms:** Aurum's rental and co-living solutions, Nestaway and HelloWorld, face competition from traditional, unorganized market players as well as peers like NoBroker, Housing.com for Rental and companies like Stanza Living and ZoloStays for Co-living. These competitors have built similar or higher scale than Aurum's solutions and have aggressively chased growth. However, continued operational level losses, and a funding winter is likely to result in industry consolidation.

**Client Relationships:** Aurum has 550+ customers for its SaaS solutions. Any severance in customer relationships or loss to competition can affect SaaS business trajectory as its SaaS solutions primarily and solely target real estate developers, i.e., solutions are not applicable in other industries, while larger peers such as Salesforce, Zoho have clients across industries.

**Technology - Adoption:** PropTech adoption remains low in India due to concerns on cost, integration, data concerns and employee/stakeholder skilling and awareness. due to fragmented/unorganized nature of the market. However, given evolving consumer expectations, and greater propensity for tech led solutions in post-pandemic era, there will be gradual uptick in adoption.

## Financial Analysis

### Built a strong foundation through series of strategic acquisitions

Aurum PropTech, after becoming majority shareholder in the company acquired 4 major entities over FY22-FY23 viz. K2V2 (Sell.do and Beyondwalls), Helloworld, Blink Advisory (now Analytica) and Nestaway. These four businesses are key contributors to Aurum's current revenues (~93% in FY24) and build a solid foundation for the company.

By leveraging its expertise in real estate and the power of data, Aurum is able to effectively meet the needs of consumers throughout their lifecycle. The company has also created 7-8 more offerings that are currently at a very early stage of monetization, but individually hold very large potential of scale-up over next 5-10 years. The best part about these investments is that Aurum's portfolio provides diverse offering that cover use cases across B2B, B2C and B2B2C.

Most importantly the company has repurposed the business in many ways right from go to market perspective, to cost management to process efficiencies to ensure the business scale up with its rightful caliber while ensuring ideal unit economics. This was very crucial as some of these businesses took dual hit on the business: 1) Pandemic led hit on the way people consume things and 2) unexpected funding winter causing need for significant changes in operating model.

#### Exhibit 26: List of Key Acquisitions during FY22-FY23 that created base foundation

Business Name	Acquired On	Cost of Acquisition	Stake	Past Revenue	Sales Multiple
K2V2	Jul-21	Rs.400mn	51%	FY'21: Rs.114.3mn	6.9
HelloWorld	Mar-22	Rs.420mn	100%	FY'21: Rs.338.5mn	1.2
Analytica	May-22	Rs.235mn	100%	FY'21: Rs.53.6mn	4.4
Nest Away	Jun-23	Rs. 900mn	100%	FY'22: Rs.245.3mn	3.7

Source: DART, Company

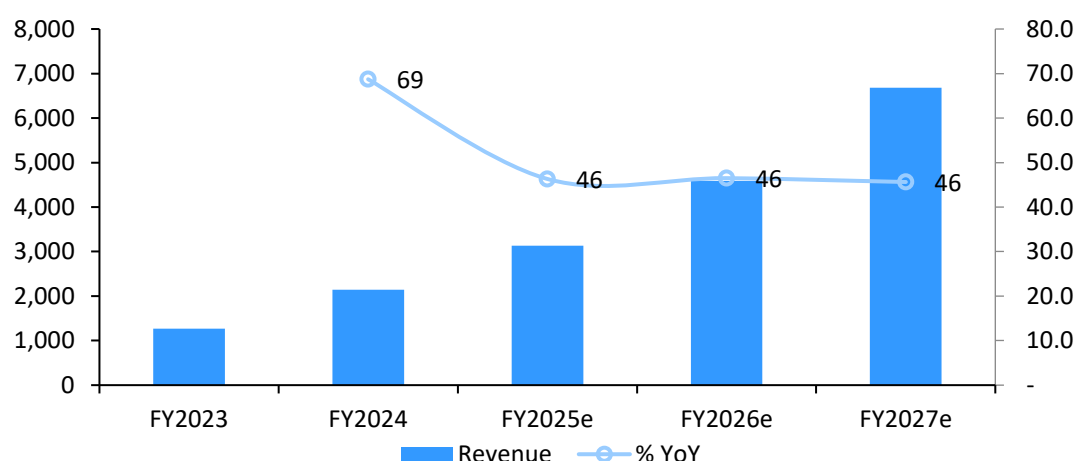
### Hyper-growth momentum to continue (Aurum guides 45-50% CAGR hereon)

AURUM registered a growth of 69% in FY24, mainly from organic growth of over 40% and rest through inorganic addition of Nestaway business and additional 1 & 2 quarter consolidation from HelloWorld and Analytica respectively.

We believe that FY24 was not only marked as a strong growth year for HelloWorld/ Analytica, but also saw an evolving and calibrating business operations model for K2V2 & Nestaway. BeyondWalls, the broker aggregation platform, as part of the business strategy saw greater uptick in terms of technology evolution as opposed to being a combination of Tech + High touch support function. Nestaway saw recalibration on various fronts – Cost, Headcount & Cities rationalization, and improvement in overall unit economics.

Given enough offerings in its arsenal, the company is now set for a steadier focus on organic revenue traction and has now guided for 45%-50% growth rate for next couple of years starting FY25E.

**Exhibit 27: Revenue CAGR of 46% over FY24-FY27E**

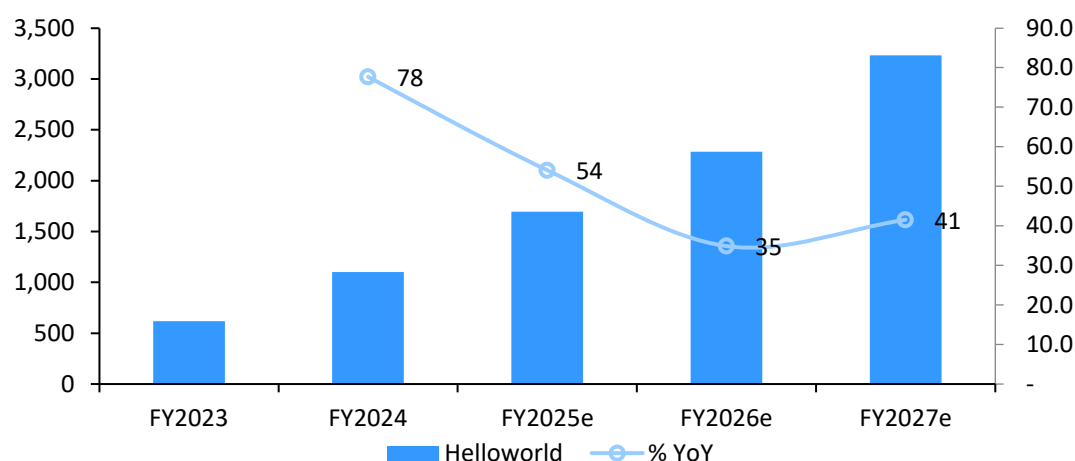


Source: DART, Company

We are encouraged to see the anticipated growth potential in Nestaway and Analytica aligning with the company's overall trajectory, as demonstrated by the remarkable 77% growth witnessed by Helloworld in FY24.

- I. HelloWorld – Tapping Rapidly Growing Co-Living Segment (~51% of Rev):** Co-living, which formalizes PG stay for students and young professionals is gaining traction in major study centers and urban areas, especially in cities like Kota, Bengaluru, Delhi NCR, Pune and Hyderabad. Along with features such as lower than rental cost and lower deposit, co-living offers community experiences and amenities.

**Exhibit 28: HelloWorld's Revenue CAGR at 43% over FY24-27E**



Source: DART, Company

During FY24, HW business reported growth of 77% led by 30% increase in the Live Beds and 37% increase in the realization (realization can increase by 3 factors, viz increased pricing i.e. generally 5-7% PA., change in city/locality mix in the supply pool and lastly due to increased occupancy/utilization).

We believe HelloWorld is well primed to ride the co-living demand wave due to 1) its predominantly strong position in Kota and Bengaluru, and 2) expansion in Delhi NCR, Pune and Hyderabad. With an aim to reach 30,000+ beds by FY27E

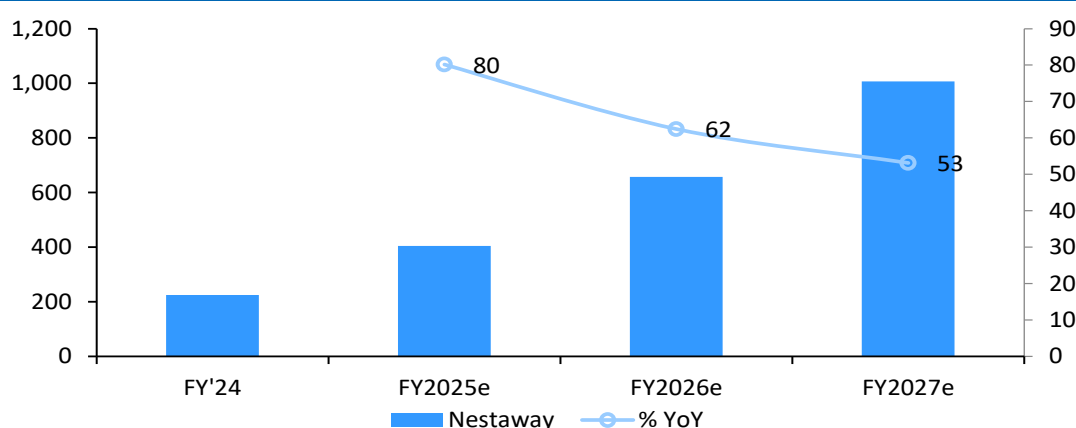


(from current capacity of 13.5K beds), we believe HW will deliver robust 43% revenue CAGR over FY24-FY27E.

The business is at an ideal occupancy of ~85% and typically operates at 40-45% gross margins potential. We see significant operating leverage on its fixed costs as density of supply improves and realization improves (led by occupancy). Currently, the business operates at low double digit operating losses, but is cash positive given negative working capital.

- II. Nestaway - Turnaround complete; now to lead growth (~11% of Rev):** Aurum acquired Nestaway in May-23 and consolidated in Jun-23. By exiting non-profitable cities, rationalizing tech and infra costs, right sizing and other initiatives, Aurum reduced cash burn and achieved EBITDA break-even by end of Q3FY24.

**Exhibit 29: Nestaway to deliver 3-year CAGR of 65% over FY24-FY27E**

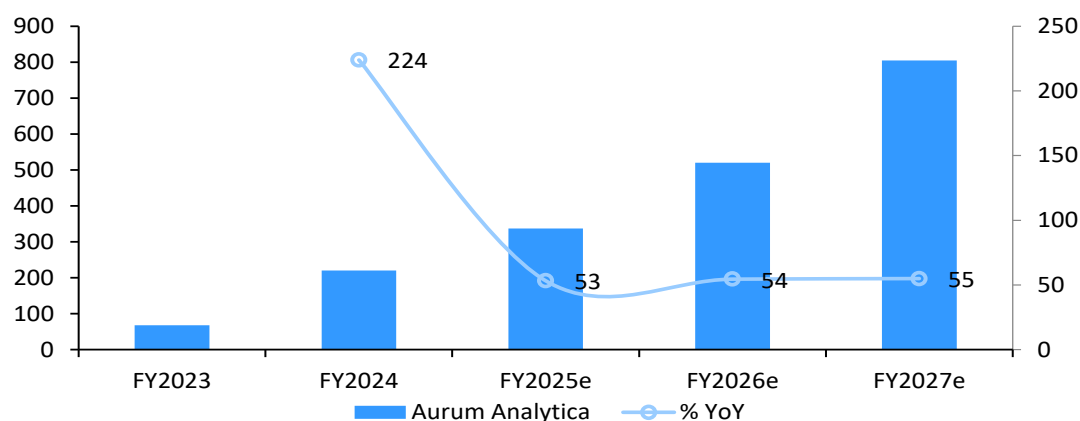


Source: DART, Company

With turnaround completion, Nestaway is now geared up for hyper-growth FY25 onwards. Currently, Nestaway has ~11k units under management, and envisions multi-fold increase in its supply units with much improved unit economics. We believe Nestaway can scale up current ARR of Rs. 315mn+ to reach Rs. 1bn+ revenue by FY2027E, delivering a CAGR of 65% by over FY24-FY27E.

- III. Aurum Analytica – Eases Lead generation (~10% of Rev):** Aurum acquired Blink Advisory in May-22 and renamed it to Aurum Analytica in Oct-22. This company provides qualified leads to real estate developers using analytics. It also has a platform to assist brokers and provides updated, real-time property status and details. Aurum Analytica has 7 of India's Top 10 real estate developers, and 20+ enterprise clients across India, USA and Middle East, and reported 85% renewal rate.

**Exhibit 30: Aurum Analytica's Revenue CAGR at 54% over FY24-FY27E**

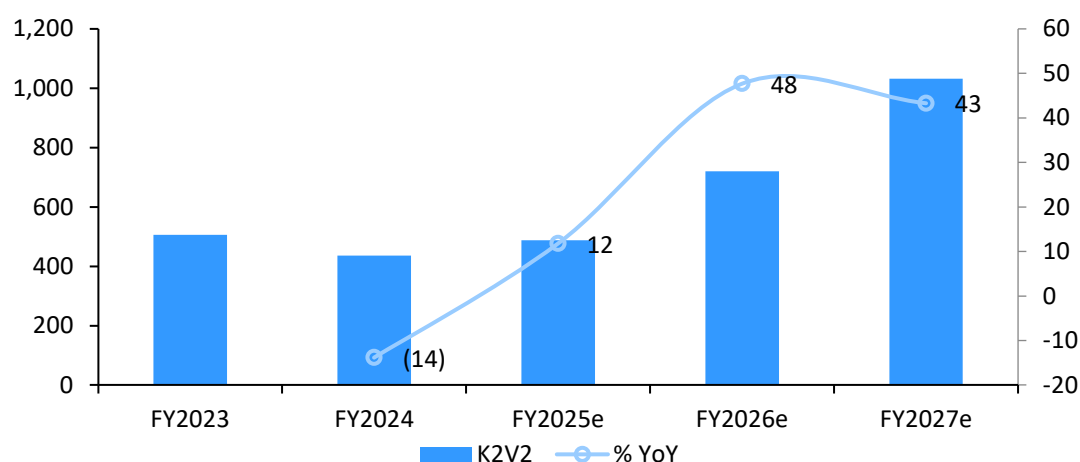


Source: DART, Company

Aurum Analytica is a unique solution for lead generation with limited competition from verticalised offering (larger market is still with traditional Adtechs) in India, with closest peer being 99acres. With large clientele that is served across multiple offerings, across India and GCC, and proven ROI-centric solution (lead qualification criteria require customer form sign up), we believe Aurum Analytica is poised to become an important sales generation engine for developers. We expect Revenue CAGR of 54% over FY24-FY27E and sales of ~Rs. 805mn from current base of Rs220mn in FY24. This business at scale can achieve 15-20% sustainable profitability.

**IV. K2V2 – Bet on Growing Digital Adoption (~20% of Rev):** K2V2 was the first acquisition by Aurum, and it helped the company enter software CRM space, focused on customized real estate solutions and features. Today, K2V2 consists of two businesses a) Sell.Do., the CRM solution and b) real estate broker aggregation and marketing software, Beyond Walls. Sell.Do has sold 8,500 subscription licenses till date, and 600+ real estate developer clients.

**Exhibit 31: K2V2 to deliver 33% CAGR over FY24-FY27E**



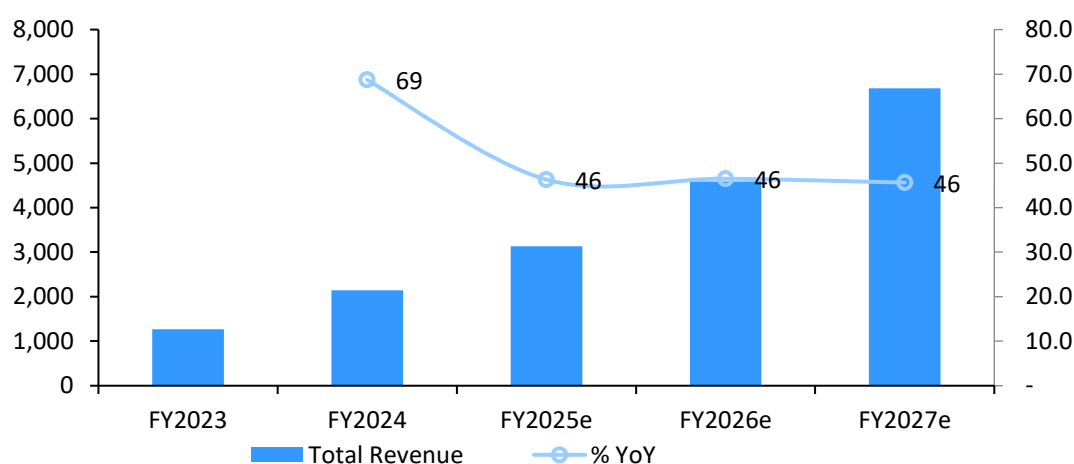
Source: DART, Company

We believe that software adoption will see an uptick, though it will be gradual but would continue to be a highly profitable business, given its SaaS nature. For Beyond Walls, the company has repivoted with its developer clients on supporting sales for latter projects Pan-India. The company has achieved significant scale up in Pune and

is in the early days of expansion beyond Pune market. Access to real estate developer relationships via Sell.Do provides Aurum opportunities to upsell other solutions, such as Beyond Walls, Aurum Analytica, TheHouseMonk, and others. Overall, we expect K2V2 to deliver Revenue CAGR of 33% over FY24-FY27E.

**V. Other Businesses – Multiple Opportunities (~7% of Rev):** Apart from the top revenue contributor businesses above, Aurum derives a balance of 7% of Revenue from another 7-8 products which have largely been scaled/developed in-house. These include- Aurum WiseX (Fractional Ownership), Monktech (Property Management Solution), Aurum InstaHome (Home Valuation platform), Aurum Liv (residential home discovery platform), and Aurum Crex (marketing solution). These products/solutions are still in their early stages of building scale. We expect greater revenue traction from proven businesses, but expect large optionality emerging from other businesses in coming year and conservatively expect Revenue CAGR 56% for FY24-FY27E from current cumulative revenues of Rs159mn to Rs602mn by FY27E.

**Exhibit 32: Revenue CAGR of 46% over FY24-FY27E**



Source: DART, Company

**Overall Revenue Performance:** Taking all businesses into account, we expect significant growth from Aurum's five key businesses, i.e., Nestaway, Helloworld, K2V2 (Sell.Do and Beyondwalls) and Analytica. We expect total Revenue CAGR of 46% over FY24-FY27E and revenue of ~Rs. 6.7bn in FY27E.

### Tracking EBIT-Level Performance to be a Key

Aurum PropTech has several businesses and thus relevance of cost metrics is unique for different businesses. However, if we have to identify few large items in operating costs, it would be –

- Employee Expenses** that is relevant across business units,
- Other Expenses** that include larger component such as Ad inventory cost for Analytica, property management & upkeep costs and Short-Term lease rentals in HelloWorld Business, and
- General SG&A** across business segments.

**d) However, one very significant cost that is very relevant and does not get added in the operational expense is the lease amortization/discounting charges which sits in Depreciation and Interest line item and thus the best way is to track the business at an EBIT/PAT level.**

**Employee cost** in FY24 stood at Rs. 882mn and was 41% of FY24 Revenue. As of 31<sup>st</sup> Mar-24, Aurum's total headcount stands at ~ 765 employees. Of this, **Nestaway** has ~200 employees, of which 80 of them take care of technology, customer service and handle corporate matters, while 120 are spread across cities, which includes property managers. **HelloWorld** has ~125 employees of which 20 employees are at HQ, while balance 105 employees are based for 'on-field activities' across cities.

**In K2V2** has ~200 employees of which 30 employees are at corporate level and balance 170 in business operations (Sell.Do has 70 employees and BeyondWalls has 100 employees). Content creation and sourcing teams are common across business unit. The remaining ~200 employees are spread across other businesses.

We believe headcount addition will lag revenue growth, as platforms/solutions are well-established and need only modest incremental hiring for maintenance and yet deliver on growth aspirations.

**Note:** The company also capitalized part of its expenses towards Product Development as intangibles. The value for the same stood at Rs.164mn.

**Other Expenses:** Other expenses for FY24 stood at Rs. 1,228mn, or 57% of Revenue. Other expenses are spread across 27 sub-heads, however key item in this includes payment towards lease (less than 12 months), Property mgmt./upkeep cost and Advertising cost (Inventory & Data cost towards).

Overall, we expect these both of these costs as a % of Revenue to decline and Revenue growth resulting in operating leverage and improving EBITDA.

**EBITDA and EBITDA Margin:** With strong Revenue growth momentum the business has turned EBITDA positive in Q4FY24 and also for full year FY24, registering EBITDA of Rs31mn or 1.4%. We expect strong growth kicking in company and would see healthy gains in profitability metrics.

**Note:** Another important cost on the P&L pertains to HelloWorld's depreciation expense is not included in the EBITDA margin. Hence, the use of EBITDA and EBITDA margin to measure progress of operational performance needs to be assessed accordingly.

**Depreciation and Amortization:** This is a significant cost item for Aurum, and its key component includes Depreciation on Right of Use assets for HelloWorld. HelloWorld records premises taken on lease for sub-lease on its balance sheet, which results in higher D&A expenses (Exhibit Below). This charge is made in place of rental/lease expenses to landlord in the operating expense line item. Thus, it is prudent to look at the business from EBIT margin perspective.

For instance, the operational (cash basis) depreciation for last two year accounted for 43%/49% of HW revenues and 21%/25% of total revenues. But the computation of the same is not that simple because depreciation of Rights of Use asset (ROU) is done

at on straight-line method basis while actual rental expense increases every year (or step up in 3year). Thus, the depreciation charge is higher than actual rent in initial years while it is charged lower than actual cash outgo in subsequent years.

### Exhibit 33: Components of D&A Expense

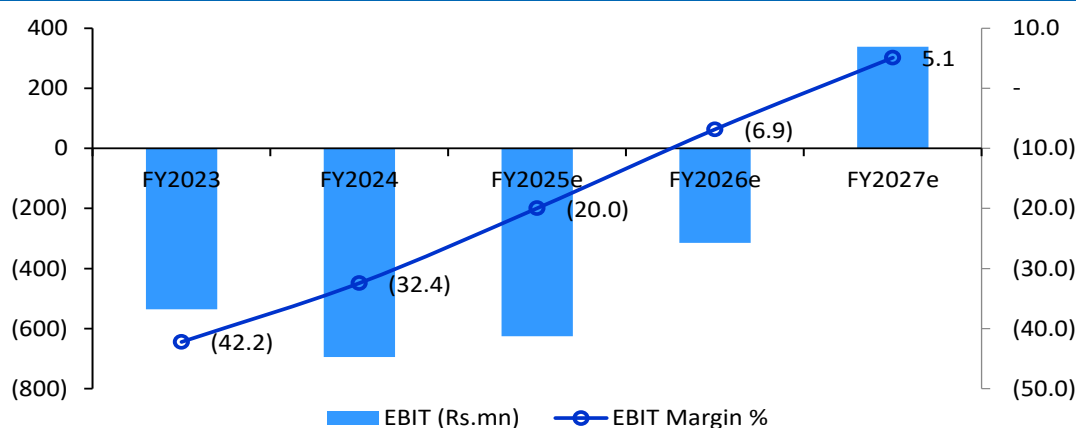
Rs. Mn	FY'2022	FY'2023	FY24*
Depreciation on PP&E	14	54	75
Amortization on other intangible assets	7	64	113
Depreciation on Right of use assets	7	267	537
<b>Total D&amp;A Expense</b>	<b>28</b>	<b>385</b>	<b>725</b>

Source: DART, Company, \*FY24 data is approximate

### EBIT Margins to improve steadily:

Given continued hyper-growth momentum, evolving business mix, and right scaling of the business we expect EBIT margins to improve systemically over next couple of years. We expect operating margins to improve sharply from -32% in FY24 to turn profitable by FY27 (5.1%), which in-turn should drive PAT profitability as well.

### Exhibit 34: Aurum to post EBIT Profit of Rs338mn in FY27E



Source: DART, Company

**Finance Costs:** Other income consists primarily of interest on fixed deposits and other security deposits. On the other hand, key component of finance cost is interest on right of use assets. Currently the Interest component for FY24 towards discounting of lease liabilities is about Rs165mn or 8% of revenue (15% of HW revenues). However, this charge continues to go down as lease liability comes closer to maturity of the lease term. Thus, this cost should see fall as incremental addition of lease as a % of total base reduces (this should start happening FY26 onwards).

### Exhibit 35: Components of Finance Cost

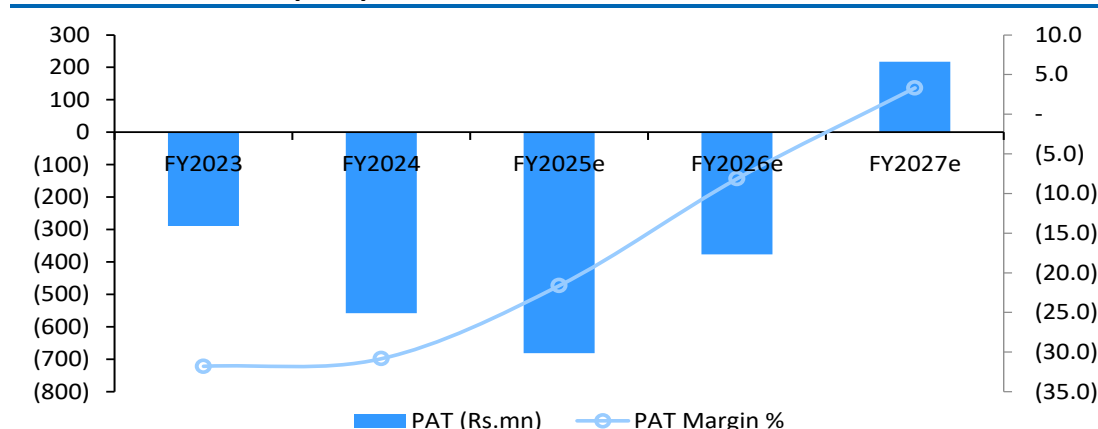
Rs. Mn	FY'22	FY'23	FY'24*
Interest on Right of use assets and decommissioning liability	1.7	82.0	165.0
Interest on security deposits	-	0.9	-
Interest on loan	0.8	2.5	94.7
<b>Total Finance Cost</b>	<b>2.5</b>	<b>85.3</b>	<b>259.7</b>

Source: DART, Company, \*FY24 data is approximate

**Share of Profit and Loss from Associates:** This line item is related to Integrow AMC (49% stake). Integrow's proportionate stake reported loss of Rs. 102mn in the P&L for FY24, which we expect to lower, going forward. **Note:** Aurum also owns 40% stake in TheHouseMonk presently and holds convertible debentures that will raise stake upto 51% stake. Conversion of stake – partial or up to 51%, will be at Aurum's discretion. Presently, TheHouseMonk is classified as a non-current investment.

**Aurum to report positive PAT in FY27E:** Aurum posted PAT loss of Rs. 558mn in FY24. We expect sustained investments and scaling up all the business would mean persistent higher expenditure over next 2-3 years but would ease out starting FY27E wherein we expect APT to turn meaningfully PAT positive.

### Exhibit 36: Aurum to post positive PAT in FY27E



Source: DART, Company

## Key Balance Sheet Items

**Right of Use Assets and Lease Liabilities:** Addition of Helloworld Jun-22 onwards also added leased assets (leased assets held for sub-lease) on the Balance sheet and lease liabilities.

**Right of use asset** as per IND AS 17 is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor before the commencement date less any initial estimate of the restoration costs and any initial direct costs incurred by the lessee. In subsequent years, the right-of-use asset is amortised in straight line method thus over period of time exhaust the value of ROU from the Asset side.

### Exhibit 37: Right of Use Assets

Rs. Mn	FY'2022	FY'2023	FY'2024
Opening balance	-	60	838
Add: Additions during the year	59	703	N.A.
Adjustment on account of acquisition of subsidiary (net of depreciation)	7	342	
Less: Amortization during the year	(7)	(267)	
<b>Total Right of Use Assets</b>	<b>60</b>	<b>838</b>	<b>1,155</b>

Source: DART, Company



**Lease liability** is recognized and measured at an amount equal to the present value of minimum lease payments during the lease term. In subsequent periods, the lease liability is measured using the interest rate implicit in the lease (as a practice this should be determined at the lessee's incremental borrowing cost). Thus, as the year progresses, lease liabilities get reduced as interest charges are made in the P&L.

### Exhibit 38: Lease Liabilities

Rs. mn	FY'2022	FY'2023	FY'2024
Less than one year ( <b>Current Lease Liabilities</b> )	162	389	517
One to five years ( <b>Non-Current Lease Liabilities</b> )	245	541	733
More than five years	-	-	-
<b>Total Lease Liabilities</b>	<b>407</b>	<b>929</b>	<b>1,250</b>

Source: DART, Company

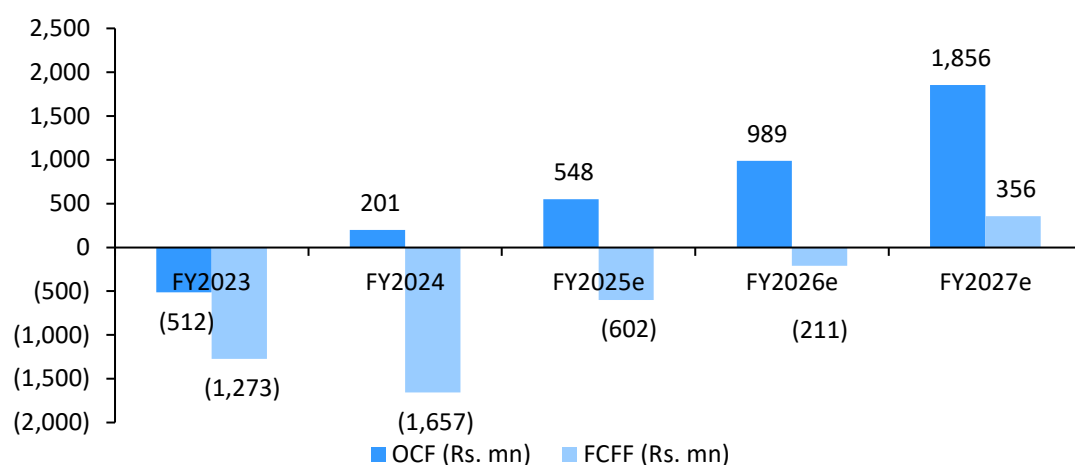
**Cash and Monetizable Assets:** At end of Mar-24, Aurum posted total cash and investments of Rs. 786mn. In Apr-24, Aurum made the second call for rights issue of Rs. 30, totaling to Rs. 1,288mn, taking total cash balance to Rs. 2,074mn.

Additionally, Aurum received 2 buildings from Majesco post the latter's exit. Building 1 has an area of 160k sq ft, which has been leased at present to HDB Financial Services & VO Financial, and balance space is expected to be leased out soon. Other building received was under construction, at 40K sq ft, which is now completed and received all required approvals; this building will be monetized soon. The market value of these 2 buildings would be ~Rs.1.5Bn.

### Investment phase to continue till FY26E; Healthy FCFF to follow

While Aurum has started posting positive operating cash flow from FY24 itself, investments pertaining to acquisition of leased assets, particularly in HelloWorld, will continue to weigh on FCF generation, while maintenance capex is expected to be minimal. We expect Aurum to deliver positive FCF generation FY27 onwards.

### Exhibit 39: Positive FCFF Generation to start FY27 onwards



Source: DART, Company

## Valuation

Aurum is well-positioned to benefit from the favorable macro and market trends in the PropTech industry, particularly in areas like co-living, rentals, real estate CRM, and lead generation. The company's strategic moves to potentially increase its stake in property management through **Monk Tech**, expand into fractional ownership with **WiseX**, and explore opportunities in the AMC business with **Integrow** are additional drivers for potential growth and diversification.

**DCF Assumptions:** We expect steady Revenue CAGR of 32.5% over FY24-FY32E, led by continued scale-up in HelloWorld, K2V2, Nestaway & Aurum Analytica. Supportive factors for the same are: 1) additional bed capacity, 2) continued license wins/AMC, 3) greater no. of properties under management and 4) signing up more real estate developers in Tier-2 cities and projects. Growth rate is expected to stabilize at 14.8% over FY32-FY40E.

For operating performance, we expect EBIT margin loss to lower from 32% in FY24, and witness continued loss decline from revenue scale up to reach positive trajectory in FY27E. We have factored in Cost of capital at 11% and Terminal growth rate of 2% (beyond FY40E) in our DCF assumptions. Accordingly, **we initiate coverage with 'BUY' rating and DCF based TP of Rs. 250 (implies EV/EBIT of 48x on FY27E estimates).**

## Key Assumptions

### Exhibit 40: Key Assumptions in our estimates

Particulars	FY23A	FY24A	FY25E	FY26E	FY27E
INR Revenue Growth (%)	703.4	68.7	46.3	46.5	45.6
EBITDA Margin (%)	(11.9)	1.4	11.6	19.8	28.3
EBIT Margin (%)	(42.2)	(32.4)	(20.0)	(6.9)	5.1
EPS Growth (%)	LTL	LTL	LTL	LTL	LTP

Source: DART, Company

## Financial Performance

### Profit and Loss Account

(Rs Mn)	FY23A	FY24A	FY25E	FY26E
<b>Revenue</b>	<b>1,269</b>	<b>2,141</b>	<b>3,131</b>	<b>4,587</b>
<b>Total Expense</b>	<b>1,419</b>	<b>2,110</b>	<b>2,768</b>	<b>3,680</b>
COGS	12	0	0	0
Employees Cost	556	882	1,024	1,300
Other expenses	851	1,228	1,744	2,380
<b>EBIDTA</b>	<b>(151)</b>	<b>31</b>	<b>364</b>	<b>907</b>
Depreciation	385	725	990	1,222
<b>EBIT</b>	<b>(536)</b>	<b>(694)</b>	<b>(626)</b>	<b>(315)</b>
Interest	85	260	273	302
Other Income	122	190	215	240
Exc. / E.O. items	0	0	0	0
<b>EBT</b>	<b>(511)</b>	<b>(764)</b>	<b>(684)</b>	<b>(377)</b>
Tax	(108)	(118)	(7)	(4)
RPAT	(289)	(543)	(681)	(377)
Minority Interest	(114)	(102)	4	4
<b>Profit/Loss share of associates</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APAT</b>	<b>(289)</b>	<b>(543)</b>	<b>(681)</b>	<b>(377)</b>

### Balance Sheet

(Rs Mn)	FY23A	FY24A	FY25E	FY26E
<b>Sources of Funds</b>				
Equity Capital	197	199	199	199
Minority Interest	123	76	80	84
Reserves & Surplus	2,029	1,605	2,216	3,131
<b>Net Worth</b>	<b>2,225</b>	<b>1,804</b>	<b>2,415</b>	<b>3,331</b>
Total Debt	986	3,189	2,594	2,374
Net Deferred Tax Liability	(165)	(235)	(235)	(235)
<b>Total Capital Employed</b>	<b>3,169</b>	<b>4,834</b>	<b>4,855</b>	<b>5,554</b>

### Applications of Funds

Net Block	2,349	4,568	4,579	4,407
CWIP	22	164	314	464
Investments	593	713	538	513
<b>Current Assets, Loans &amp; Advances</b>	<b>789</b>	<b>765</b>	<b>1,027</b>	<b>1,865</b>
Inventories	0	0	0	0
Receivables	186	232	360	503
Cash and Bank Balances	203	73	80	600
Loans and Advances	0	0	0	0
Other Current Assets	400	460	586	763
<b>Less: Current Liabilities &amp; Provisions</b>	<b>584</b>	<b>1,376</b>	<b>1,603</b>	<b>1,695</b>
Payables	154	347	417	554
Other Current Liabilities	430	1,029	1,186	1,141
<i>sub total</i>				
Net Current Assets	205	(611)	(576)	170
<b>Total Assets</b>	<b>3,168</b>	<b>4,834</b>	<b>4,854</b>	<b>5,554</b>

E – Estimates

### Important Ratios

Particulars	FY23A	FY24A	FY25E	FY26E
<b>(A) Margins (%)</b>				
Gross Profit Margin	56.2	58.8	67.3	71.7
EBIDTA Margin	(11.9)	1.4	11.6	19.8
EBIT Margin	(42.2)	(32.4)	(20.0)	(6.9)
Tax rate	21.1	15.5	1.0	1.0
Net Profit Margin	(22.8)	(25.4)	(21.7)	(8.2)
<b>(B) As Percentage of Net Sales (%)</b>				
COGS	1.0	0.0	0.0	0.0
Employee	43.8	41.2	32.7	28.3
Other	67.1	57.4	55.7	51.9
<b>(C) Measure of Financial Status</b>				
Gross Debt / Equity	0.4	1.8	1.1	0.7
Interest Coverage	(6.3)	(2.7)	(2.3)	(1.0)
Inventory days	0	0	0	0
Debtors days	53	40	42	40
Average Cost of Debt	16.1	12.4	9.4	12.2
Payable days	44	59	49	44
Working Capital days	59	(104)	(67)	14
FA T/O	0.5	0.5	0.7	1.0
<b>(D) Measures of Investment</b>				
AEPS (Rs)	(4.0)	(7.6)	(9.5)	(5.3)
CEPS (Rs)	1.3	2.5	4.3	11.8
DPS (Rs)	0.0	0.0	0.0	0.0
Dividend Payout (%)	0.0	0.0	0.0	0.0
BVPS (Rs)	31.0	25.2	33.7	46.4
RoANW (%)	(14.8)	(27.0)	(32.3)	NA
RoACE (%)	(12.0)	(9.6)	(8.3)	NA
RoAIC (%)	(23.6)	(18.0)	(13.1)	NA
<b>(E) Valuation Ratios</b>				
CMP (Rs)	145	145	145	145
P/E	NA	NA	NA	NA
Mcap (Rs Mn)	10,398	10,398	10,398	10,398
MCap/ Sales	8.2	4.9	3.3	2.3
EV	11,181	13,515	12,912	12,173
EV/Sales	8.8	6.3	4.1	2.7
EV/EBITDA	(74.1)	437.4	35.5	13.4
P/BV	4.7	5.8	4.3	3.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
<b>(F) Growth Rate (%)</b>				
Revenue	703.4	68.7	46.3	46.5
EBITDA	LTL	LTP	1078	149.3
EBIT	LTL	LTL	LTL	LTP
PBT	LTL	LTL	LTL	LTP
APAT	LTL	LTL	LTL	LTP
EPS	LTL	LTL	LTL	LTP

E – Estimates

## Cash Flow

Particulars	FY23A	FY24A	FY25E	FY26E
<b>Profit before tax</b>	<b>(499)</b>	<b>(778)</b>	<b>(684)</b>	<b>(377)</b>
Depreciation & w.o.	218	725	990	1,222
Net Interest Exp	93	376	58	62
Direct taxes paid	(39)	(8)	7	4
Change in Working Capital	(223)	(1)	178	78
Non-Cash	(61)	(113)	0	0
<b>(A) CF from Operating Activities</b>	<b>(512)</b>	<b>201</b>	<b>548</b>	<b>989</b>
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(195)	(1,044)	(1,150)	(1,200)
<b>Free Cash Flow</b>	<b>(1,273)</b>	<b>(1,657)</b>	<b>(602)</b>	<b>(211)</b>
(Inc.)/ Dec. in Investments	184	(84)	125	0
Other	(444)	(530)	(58)	(62)
<b>(B) CF from Investing Activities</b>	<b>(455)</b>	<b>(1,658)</b>	<b>(1,083)</b>	<b>(1,262)</b>
Issue of Equity/ Preference	820	20	1,288	1,288
Inc./(Dec.) in Debt	0	0	4	4
Interest exp net	(10)	953	(750)	(500)
Dividend Paid (Incl. Tax)	0	0	0	0
Other	(10)	(218)	0	0
<b>(C) CF from Financing</b>	<b>800</b>	<b>1,221</b>	<b>542</b>	<b>792</b>
Net Change in Cash	(166)	(237)	8	519
<b>Opening Cash balances</b>	<b>341</b>	<b>203</b>	<b>73</b>	<b>80</b>
<b>Closing Cash balances</b>	<b>192</b>	<b>73</b>	<b>80</b>	<b>600</b>

E – Estimates

## Notes

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**DART RATING MATRIX**

Total Return Expectation (12 Months)

Buy	> 20%
Accumulate	10 to 20%
Reduce	0 to 10%
Sell	< 0%

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