



## Investment Opportunities – April 2015

(Websites: [www.7avenues.com](http://www.7avenues.com); [www.bigindiafarms.com](http://www.bigindiafarms.com);  
Ivybushestate.com – to be soon changed to [www.ivyestates.in](http://www.ivyestates.in))

# Our Experience

All our experience is backed by owning and running micro-level operations. We have understood India and the opportunities and problems here in the most detailed manner. Most of our business is structured in JV or Partnership format, where we are primarily executing the opportunity for Investors.

## EXPERIENCE SECTORS

### AGRI AND PLANTATION:

- Almost unique experience of acquiring and managing farms , now reaching 2000 acres. Our young plantations include Teak, Saal, Fruits (30 varieties) .
- Organic poultry , Dairy for local consumption – Including Feed generation to Reproduction
- Specialized High Value products like Alfaalfa, medicinal plants.
- Acquiring lands for Eco resorts
- RELATED RENEWABLE ENERGY: End use farm micro projects for Solar and Biogas energy

### URBAN REAL ESTATE:

- Owned project: 25 acre township in Bhopal coming up in 3 stages. First stage of 10 acres in process of Plot Approval

### RETAIL & STORAGE, FOOD RETAIL & ASSOCIATED SERVICE :

- Owned and operated 14 retail stores , cold storages in 2 states from 2006 to 2011. Sold in parts.
- Partnerships in Marriage Garden and Dhabas (Highway food outlets) - Direct supply from Farms

### LARGE DEAL BROKERAGE & EXECUTION:

- **MINING:** Access to Good quality Iron Ore, Limestone mines in MP, Orissa
- **PRIME URBAN LAND:** We have exclusive deal access to some very prime lands in NCR, and nearby cities, at attractive distress rates.
- Arranging / Aggregating prime lands for projects in Bhopal

### EXPERIENCE IN PARTNERING:

No. of Shareholders : 60 ( mostly alumni of good institutions like IITs, IIMs)

No. of Farm land owners : 80

No. of Farming related project partners: 12

No. of Urban Project partners: 7

No. of Misc Project partners: 15

# Our Team

Each of our team member has some basic traits: Understands the role of technology and how to use the edge , Has run her own venture over a long period, Understands how to make money, the complexities and opportunities in the local context.

- **OPPORTUNITY EVALUATION, STRATEGY, PLANNING AND CONTROL:**
  - Managing Partner- Sandeep Saxena, an IIT Kanpur, IIM Lucknow graduate. 17 years of experience. Worked in many MNCs globally before starting this team. Has executed more than 3000 acres of land acquisitions, farm operations, large deals and handled local conditions and problems typical to India.
  - Lakshmi - A self made entrepreneur with over 25 years experience. Created a precision engineering component company- now a leading name in its field. Also manages large Solar energy projects.
  - A retired Director of BHEL, one of the largest companies in India. Has been a pioneer in high tech projects with mass usage. Has over 40 years of experience.
  - A retired GM with New India Assurance, one of the largest Insurers in India. Has extensive knowledge of consumer and industrial projects. Has over 40 years of experience.
  - Shankar AVSB, IIM Lucknow graduate. 17 years of experience. Worked in many MNCs globally before starting this team. Has rich digital marketing and financial trading experience.
  - And many others selectively advise us based on the projects : CA and our auditor, top lawyers on our retainer, chartered engineers and architects.
- **EXECUTION TEAM:**
  - Persons with specialized knowledge : Farms, Urban Projects, Mining, Poultry, Organic Food production, Nursery, Food retail, Marriage Gardens, etc.
  - Administrative and Execution team consists of many persons from dedicated Managers to Vets, Nursery Biologist on retainer basis to Our farm teams.
- **OPPORTUNITY GENERATION NETWORK:**
  - Local farm brokers, land and agri produce agents,
  - Mining brokers, Geologists,
  - Specialized process owners,
  - People specializing in government planning
  - Persons who specialize in redevelopment opportunities and distressed businesses’ asset opportunities

# Trends We See

India will create a lot of 'real' i.e. bottomline and execution focused, Billionaire businesses in next few decades. In our view, many will be following one of the following trends:

- **Water Scarcity and quality:** This trend affects everything from human water consumption to seed cost, milk cost to even scarcity of ecological resorts.
- **Climate change:** It is affecting our farm businesses for now but in long term we see it changing food consumption habits to medical bills.
- **Lifestyle upgradation due to mobility, communication and technology:** From renovation in housing to consumption of healthy organic poultry and fruits to usage of our Marriage gardens, we see this as a continuous opportunity.
- **Cheaper renewable energy:** In our many experiments, this energy is coming cheaper even if crude is below \$40. The industry is currently geared differently, but we see our micro project experience pointing to a great shift in energy production and usage value chain.

# How we work?

- Our Core strength has been our experience, intelligent local network right up to village levels and accurate result orientation. As a result, we have grown from zero capital to a mid size entity in a short time, in spaces typically dominated by business families or entrenched cartels, and beyond execution capabilities of typical funds.
- We DO NOT work like a Private Equity fund. We work on Opportunity Basis, directly partnering in the opportunity. (See the slide on Legal Structure)
- Where ever our capital and synergy permits, we take maximum equity and full control in an opportunity, execute it and grow our assets and learn. We do not seek external capital in such opportunities.
- We invite and take Capital partners where the capital intake is large (from 1 million USD upwards to 50 million USD opportunities on our horizon). The capital partner will invest completely and directly hold equity in the Opportunity from 70% to 95% depending on our value add in opportunity grabbing to execution.
  - Where we execute , we take 2% management fee, and the returns on our portion of equity, subject to profit conditions.
  - Where we do not execute, we prefer our time based exit once agreed stage is reached.

## **Advantages of our Approach vs Fund Mgmt**

- Less layers between Investment source and Opportunity => low cost of funds, high visibility to opportunity
- No scope for Ponzi style fund raising
- Easy regulatory mechanism; more opportunities

## **Disadvantages of our Approach vs Fund Mgmt.**

- Small wait time between Opportunity and closure; cannot deal with slow decision making
- Ticket sizes are smaller; less money works harder

# Small Opportunities for Partnering with us\*

## (size between Rs.10 lacs to Rs. 500 lacs)

SECTOR	OPPORTUNITY	INVESTMENT SIZE	EXPECTED ROI ON UNIT BASIS	PAYBACK PERIOD ON UNIT BASIS	LIFETIME PERIOD OF A UNIT	DEPENDENCY ON OUR EXECUTION
AGRI	Cold storage renovation and Trading	500 lacs INR (800 k USD)	60%	2 years	20 years	Low
FOOD RETAIL & SERVICES	Marriage garden cum dhaba (one unit)	80 lacs INR (140k USD)	80%	1 year	20 years	High
AGRI	Dedicated small Greenhouse for horticulture	18 lacs INR (30k USD)	80%	1 year	10 years	High
AGRI	Small unprocessed milk dairy	25 lacs INR (40k USD)	60% to 80%	1 year	10 years	High
AGRI	Similar diversified opportunities as above	-do-				
AGRI	Teak , Sandalwood, fruit plantations	Opportunity basis	60 To 80% (low risk)	NA	30 years	High
URBAN PROJECT	Land partnering for plotting projects in Bhopal	50 lacs (min) (80k USD)	30% to 40% (low risk)	2 years	2 years	High

\* From 80 to 90% of the investment goes to Good assets like land etc. Minimal is for Opex

# Large Business Opportunities We Have\*

SECTOR	OPPORTUNITY	INVESTMENT SIZE	EXPECTED R.O.I. ON UNIT BASIS	PAYBACK PERIOD ON UNIT BASIS	LIFETIME PERIOD OF A UNIT	DEPENDENCY ON OUR EXECUTION
AGRI	Series of Small Cold storage (20 MT, 20) with dedicated green house for production	1000 lacs INR (1.6 m USD)	60%	2 years	20 years	High
FOOD RETAIL & SERVICES	Chain (10) of Marriage garden cum dhaba (one unit)	500 lacs INR (0.9 m USD)	100%	1 year	20 years	High
AGRI	Mid Size processed milk dairy with Feed production	300 lacs INR (0.5m USD)	100%	1 year	10 years	High
URBAN PROJECT Bhopal	20 acre residential project in Bhopal- in JV mode (we will arrange lands at low cost)	1200 lacs (2 m USD); rest from project earnings	30% (low risk)	2 years	4 years	High
AGRI, MARKETING	Organic product export set up from our network - 22 degree demoisturizing plant	1200 lacs (2 m USD);	100 %	1 year	20 years	high
ENERGY	Solar power generation with end use utility	1000 lacs (1.8 m USD)	30%	4 years	20 years	Low

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# Very Attractive Large Asset Acquisition Opportunities thru' our network

SECTOR	OPPORTUNITY	INVESTMENT SIZE	EXPECTED R.O.I. ON UNIT BASIS	DEPENDENCY ON OUR EXECUTION
URBAN REAL ESTATE around DELHI for residential project	PRIME LANDS in NCR 12 acre land three patches in Gurgaon @ half the current market value of land (Sellers under financial distress; and some of them bound to us in negotiations)	36000 lacs ( 60 m USD)	50% (5 years period holding capacity required)	Low
PRIME URBAN REAL ESTATE – JAIPUR for Commercial/ Residential project	PRIME Commercial LAND in Jaipur  Commerical land in jaipur@ half the current market value of land (Sellers under financial distress, and some of them bound to us in negotiations)	36000 lacs ( 60 m USD)	50% (5 years period holding capacity required)	Low
MINING	Steel Plant set up with a large associated mine – Good long term buy; market slow in short term	10000 lacs (15 m USD)	More than 100% (long term holding capacity required)	Low
URBAN REAL ESTATE - AHMEDABAD	Ahmedabad Land with our evaluated Multi storey project	500 lacs (0.9 m USD)	40%	High



# SUMMARY of Opportunities

Investment Range	Sectors	Expected ROI Range	Project Period
10 to 40 lacs , and multiple (upto 60k USD)	AGRI, FOOD RETAIL & SERVICES	60 to 100%	10 to 30 years
50 lacs and multiple (80k USD)	URBAN LAND	30 to 40%	2 years
300 to 1200 lacs (0.5 m to 2 m USD)	AGRI, FOOD RETAIL & SERVICES	60 to 100%	10 to 20 years
500 to 1200 lacs (0.8 m to 2 m USD)	URBAN REAL ESTATE	30 to 40%	4 years
1000 lacs and more (0.8 m USD and more)	SOLAR ENERGY	30 to 40%	20 years
100000 lacs and more (15 m USD and more)	REAL ESTATE ASSETS, MINING	50 to 100%	5 years

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# Preferred Legal Structure

- The Investing Person/Entity forms a Firm or company in India, if required. In many cases, there is no such need.
- Then Investing company or its Indian entity (partner 1) and Seven Avenues Ltd. (Partner 2) form a 'Limited Liability Partnership' (LLP) with a partnership agreement on stake, management control, exit parameters, and investment commitments.
- The LLP executes the Opportunity or multiple Opportunities, takes local business licenses, pays taxes, pays back to the Partners, etc.
- The LLP can take funds as Equity or Debt or a mix, from the Investing Partner, depending upon the Partnership Agreement terms.
- Note: In case of the Investing Entity not being an Indian entity, the repatriation of profits and investments, foreign taxes, currency exchange rate risk, etc. shall not be the responsibility of the LLP or Seven Avenues. It has to be managed by the Investing Entity or its Indian Firm.



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