



DEAL RELEASE

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Avendus raises INR 900 million for International Asset Reconstruction Company Private Limited

Mumbai, November 11th 2008: International Asset Reconstruction Company Private Limited (IARC) today raised its second round of capital aggregating INR 900 million from various investors. The objective of raising capital is to augment the capital requirement in its asset reconstruction business.

The current round of investment was raised from leading institutions and banks in India and from foreign banks, namely HDFC Bank Limited, Tata Capital Limited, ICICI Bank Limited, Standard Bank Plc. (part of The Standard Bank Group, South Africa) and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO). Apart from the above, other existing individual shareholders also participated in the present round of investment

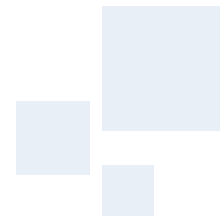
Avendus Capital was the exclusive financial advisor for the transaction.

IARC is one of the leading Asset Reconstruction and Securitization Companies (ARC) in India, incorporated under the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SRFAESI Act, 2002) and is engaged in the business of acquisition of Non-Performing Assets (NPAs) from the banking system and reconstruction and securitization thereof.

Commenting on the transaction, **Mr. Birendra Kumar, MD & CEO of IARC** said that "With the present round of capital infusion, IARC has adequate capital to meet the regulatory requirements and to capitalize on the increased opportunity in the NPA space. IARC has so far acquired financial assets of more than Rs 15 billion through bi-lateral deals with selling banks and financial institutions as well as successfully winning bids in auctions held by the selling banks"

He further adds, "The Indian economy is at an inflexion point. Having seen significant credit growth in the last few years, the economy is witnessing a general slow-down. This overall slowdown coupled with tight liquidity conditions for weaker companies in certain industry sectors is expected to result in additional NPAs in the banking sector".

IARC is well-placed to capitalize this opportunity and expand rapidly in the competitive Indian distress market. The acquisitions will be both in the corporate as well as retail NPA segments for IARC with more focus on the corporate NPAs.



About International Asset Reconstruction Company Private Limited

Incorporated in 2002, IARC is registered with the Reserve Bank of India u/s 3 of SRFAESI Act, 2002 as a Securitization and Reconstruction Company on 15th March 2007, and commenced business in August 2007. During its one year of operation, IARC has acquired financial assets aggregating INR 15 billion from the banking industry emerging as amongst the top ARCs in the country.

For more information, please visit www.iarc.co.in

About HDFC Bank Limited

HDFC Bank Limited, a world-class Indian Bank and the recipient of Asian Banker Excellence' award of Best Retail Bank in India in 2007 is engaged in provision of complete range of banking services to its retail and corporate customers.

For more information, please visit www.hdfcbank.com

About Tata Capital Limited

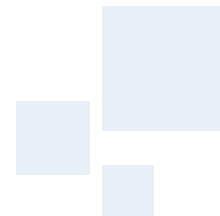
Tata Capital Limited, part of the Tata Group, is one of the leading NBFCs in the country focusing on provision of retail loans, loans to SME sector and infrastructure companies. It's also engaged in provision of wealth management and investment services, investment banking and treasury advisory services.

For more information, please visit www.tatacapital.com

About ICICI Bank Limited

ICICI Bank Limited, the largest private sector bank in India, offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialised subsidiaries and affiliates in the areas of investment banking, life and non-life insurance, venture capital and asset management.

For more information, please visit www.icicibank.com



About Standard Bank Plc.

Standard Bank Plc., London, part of The Standard Bank Group, South Africa, is a bank authorized and regulated by the United Kingdom Financial Services Authority. The Standard Bank Group Limited with its presence across 40 countries, is the largest bank domiciled in the Emerging Europe, Middle East and Africa regions, and is engaged in provision of personal and business banking, corporate and investment banking, and investment management and life insurance.

For more information, please visit www.standardbank.co.za

About Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)

FMO, an International Development Bank of The Netherlands and governed by the Dutch Central Bank, is 51% owned by The State of Netherlands. FMO as part of its mission, it's engaged in provision of long term funds to private companies and financial institutions in developing countries with an objective to stimulate sustainable economic growth and optimize development impact in developing countries.

For more information, please visit www.fmo.nl

About Avendus Capital

Avendus is a full service Investment Bank with strong presence in M&A Advisory, Private Placements, Structured Finance Advisory, Equity Capital Markets, Institutional Broking & Alternate Asset Management. The company focuses on high growth industries where Indian companies have a strategic advantage globally, including IT Services, IT Enabled Services, Media, Life science, Automotive & Engineering, Real Estate, Infrastructure, Infrastructure ancillaries, Financial Services and Consumer Products and Services. Avendus clientele ranges from high growth mid cap companies to large companies represented in the BSE SENSEX and established Private Equity funds. Avendus was ranked 5th by Bloomberg in 2007 in number of transactions in M&A advisory and Private Placements. Avendus is head quartered in Mumbai and also has offices in New York, London and Bangalore.

For more information, please visit www.avendus.com

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