

Avendus Capital Advises R&R Salons on Its Fund Raising from Everstone Capital and Helion Venture Partners.

May 2012 • Mumbai



DEAL VALUE	Undisclosed
SERVICE	Private Equity
SECTOR	Digital, Technology & Consumer

Bangalore based salon chain R&R Salons Private Limited today concluded its second round of private equity funding. This round saw participation from Everstone Capital and its existing investor, Helion Venture Partners.

R&R Salons runs the “YLG” brand of salons, with nineteen salons in Bangalore and one in Pune. The proceeds of this fund raise will provide impetus to YLG’s organic growth plans and help it expand into major cities across the country.

Mr. Rahul Bhalchandra, the promoter and CEO of R&R Salons said, “We have drawn up aggressive expansion plans which involve opening up over 200 company owned salons over the next 6 years. We are delighted to partner with Everstone and believe that the business capital and high caliber of operational inputs provided by them would be a key enabler in the successful execution of our plans. Continued support from Helion reinforces its conviction in the company and in the mid-premium salon space in India”.

Mr. Gaurav Deepak, Managing Director at Avendus Capital said, “The Hair and Beauty Salon Industry in India is poised to grow at over 30% per annum, driven by the rising affluence and increasing consumer awareness. We believe that YLG presents a strong platform driven by a high quality management team, uniquely positioned to become the market leader in this space. The partnership with Everstone gives YLG a strong runway to execute its growth plans.”

| Avendus Capital was the sole financial advisor to R&R Salons on this transaction.

| About R&R Salons Private Limited

R&R Salons Private Limited is a Bangalore based company running the “YLG” brand of women-only salons. Started in 2008, it currently operates eighteen salons in Bangalore and one salon in Pune. It also operates an academy which offers hair and beauty training courses to students. The company is promoted by Mr. Rahul

Bhalchandra. Helion Venture Partners had invested in the company in 2008. For more information, please visit www.ylgindia.com

| About Everstone

Everstone Capital is an India focused investor with dedicated private equity and real estate funds with assets under management of around USD 1.6 billion. Founded in 2006 by Atul Kapur and Sameer Sain, Everstone Capital now has more than 100 people working across five offices and has invested over US\$ 1 billion in India over the last 6 years. Everstone Capital has an active operational, hands-on approach to its private equity and real estate investment management businesses with a focus on companies that benefit from domestic consumption within India and several other sectors such as energy and infrastructure services. Some of Everstone's investments include Sula, VLCC, Blue Foods, IndoStar Capital, Crystal Crop Protection, Regen Powertech and Asian Genco. For more information, please visit www.everstonecapital.com

| About Helion Venture Partners

Helion is a multi-stage, India-focused venture fund with over \$600 million under management. The fund invests in businesses that are technology-powered or catering to the Indian consumer services space. The focus sectors of investment include - internet, mobile, technology products, outsourcing, Healthcare, education, retail services and financial services. The fund's investors are well-respected global institutions including top tier university endowment funds, sovereign funds, foundations, pension funds, family offices and Fund of funds. The fund and its portfolio companies are advised by an experienced and industry renowned team of professionals based in India and includes Sanjeev Aggarwal, Ashish Gupta, Kanwaljit Singh, Rahul Chandra and R Natarajan. For more information please visit www.helionvc.com

| About Avendus

Avendus Group is a leading financial services firm with a presence in the areas of Investment Banking, Institutional Equities, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, M&A advisory and access to public markets.

Avendus Capital Inc., New York and **Avendus Pte Ltd.**, Singapore are both Avendus Group entities offering services to clients in the US and Southeast Asia respectively. For more information, please visit www.avendus.com

Deal Release

Contact: Lynette D'souza
Tel: +91 9920847823
Email: lynette.dsouza@avendus.com

Avendus Capital Private Limited

Regd. Office: 901, Platina, 9th Floor, Plot No. C-59,
Bandra Kurla Complex, Bandra (E),
Mumbai 400051