

# THE ECONOMIC TIMES

## HDFC Capital to hike stake in proptech startup Reloy

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### Synopsis

**In March last year, HDFC Capital had acquired a 7.2 per cent equity stake in Loyalie IT Solutions Pvt Ltd (Reloy) for Rs 1.1 crore.**



HDFC Capital Advisors will increase its stake in proptech startup Loyalie IT Solutions (now renamed as Reloy) to up to 9.6 per cent from 7.2 per cent currently, amid surge in adoption of technologies in Indian real estate market. According to a regulatory filing on Wednesday, HDFC Capital Advisors will acquire 1.67 lakh compulsory convertible preference share (CCPS), which post allotment will be equivalent to additional 1.8 per cent to 2.4 per cent stake in Loyalie (Reloy).

The preference shares are proposed to be acquired at Rs 89.81 per equity share, taking the transaction value to Rs 1.49 crore.

In March last year, HDFC Capital had acquired a 7.2 per cent equity stake in Loyalie IT Solutions Pvt Ltd (Reloy) for Rs 1.1 crore.

Founded by Akhil Sharaf in 2018, Reloy has been working closely with top real estate developers to create the perfect home owning journey through their customer loyalty programmes.

In the regulatory filing, Housing Development Finance Corporation (HDFC) said that its subsidiary HDFC Capital Advisors Ltd (HCAL) on April 18 this year "entered into another share subscription agreement for acquisition of CCPS of Loyalie which post allotment, would entitle HCAL to

approximately 1.8 per cent to 2.4 per cent stake in Loyalie on a fully diluted basis."

Investment in Loyalie is proposed to be made by HCAL under its H@ART initiative programme to invest in technology companies for the benefit of the real estate ecosystem, it added.

Loyalie (Reloy) is into real estate brokerage services. It is engaged in the business of offering marketing schemes as well as loyalty/reward bonuses proposed by its clients.

Loyalie's turnover jumped to Rs 11.45 crore till February of 2022-23 fiscal year from Rs 4.33 crore in the full previous year.

In January last year, Reloy had raised Rs 5 crore from investors in a pre-Series-A round.

The round was led by Inflection Point Ventures, Fawkes Fund, family office of Greenpanel & Greenlam, and over 50 prominent angels.

The start-up has presence in all major cities and is working with Godrej Properties, Mahindra Lifespace Developers and Shapoorji Pallonji Real Estate, among others.

According to Housing.com data, between 2009 and June 2022, the proptech companies in India received a total of USD 3.42 billion in private equity funding.

Use of innovative technologies, such as artificial intelligence (AI), internet of things (IoT) and virtual reality have increased significantly in the last three years to augment the customer and consumer experience across the real estate life cycle.

"The use of technology has been steadily permeating across the real estate value chain over the last decade but it has accelerated significantly since the outbreak of the COVID-19 pandemic," Housing.com CEO Dhruv Agarwala had said.