

COMPANY

REPORT

KRBL Ltd.

Rs.170 | Buy

Analyst

Utpal Choudhury
+91-22-6637 1185
utpal.choudhury@idbicapital.com

Maitali Shah
+91-22-6637 1189
maitali.shah@idbicapital.com

Nifty: 3911; Sensex: 13566

Key Stock Data

Sector	Agro
Bloomberg/Reuters	KRB@IN/KRBL.BO
Shares o/s (m)	24.3
Market cap (Rs m)	4,131
Market cap (US\$ m)	93
3-m daily average vol.	232,838

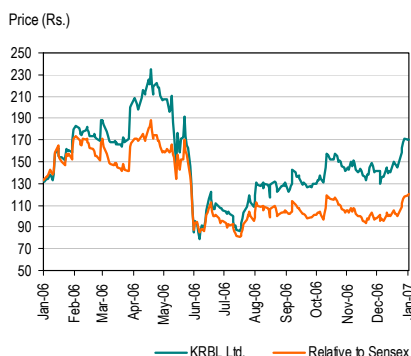
Price Performance

52-week high/low	Rs244/76		
	-1m	-3m	-12m
Absolute (%)	20.6	31.1	28.7
Rel to Sensex (%)	22.2	21.3	(12.8)

Shareholding Pattern (%)

Promoters	49.66
FII/NI/OCBs/GDR	35.59
MFs/Banks/FIs	2.37
Non Promoter Corporate	3.84
Public & Others	8.55

Stock vs Relative to Sensex



Source: Capitaline

Summary

KRBL Ltd. (KRBL), the biggest rice miller in the world and largest basmati exporter in the country, has attained burgeoning size with acquisition of rice milling unit from Oswal Agro enhancing its aggregate capacity to 198 MTPH. This acquisition will not only contribute to its topline but also boost its operating margins substantially by FY08.

Going forward, with strong brands, enhanced capacity and foray into value added products, KRBL is expected to grow at 27% CAGR over the next 2 years. Induced by topline growth and escalating margins, PAT is expected to witness more than 60% CAGR over the next 2 years.

The current market price of KRBL is 7.0x FY07E EPS of Rs.24.2 and 4.8x FY08E EPS of Rs.35.2. In past two years, KRBL has been trading above 10x P/E. Assuming a conservative PE of 7x its FY08E EPS of Rs.35.2, we recommend a 'Buy' with a target price of Rs.246, which is 4% discount to our DCF valuation.

Investment highlights

■ Burgeoning size

KRBL has acquired the largest rice mill in the world from Oswal Agro in Dhuri, Punjab for Rs.158m. This mill, with initial capacity of 130 MTPH, is now revamped to 150 MTPH with an additional cost of Rs.1,000m. In addition, Dadri plant's capacity is increased from 38 MTPH to 48 MTPH taking their total capacity to 198 MTPH. This is expected to boost the topline by 25% CAGR over the next 2 years.

■ Value adding byproducts

Dhuri plant is becoming a fully integrated plant producing bran oil (42 MTPD capacity), furfural (10 MTPD capacity) and cattle feed. This is expected to contribute additionally around Rs.713m/annum to topline alongwith boosting its margins from 11.4% in FY06 to around 15% in FY08.

■ Powering growth

KRBL has the capacity to generate 10.5 MW of power using rice husk as fuel at a very low cost. The company will export 50% to the grid and the rest will be used for captive consumption. Besides the company has set up 12.5 MW windmill in Dhulia, Maharashtra for which it has signed a PPA (Power Purchase Agreement) with MSEB (Maharashtra State Electricity Board).

■ Exports with strong brands

KRBL has strong foothold in exports market with 52% share of basmati rice market of USA and dominant presence in Middle East. KRBL owns strong brands like *India Gate*, *Doon*, *Bemisal*, *Nur Jahan*, *Al Wisam*, *Lotus*, etc. Branded rice contributes around 83% of KRBL's revenue.

Table 1: Financial snapshot

Year-end: March	FY05	FY06	FY07E	FY08E
Sales	5,027	7,248	9,028	11,729
PAT	169	320	589	857
OPM (%)	8.2	11.4	14.8	15.1
NPM (%)	3.4	4.4	6.5	7.3
EPS (Rs.)	9.4	15.0	24.2	35.2
PE (x)	18.0	11.3	7.0	4.8
RoE (%)	10.8	15.9	21.9	25.4
RoCE (%)	7.7	8.9	12.8	16.2

Source: Company reports; IDBI Capital Market Services

Industry overview

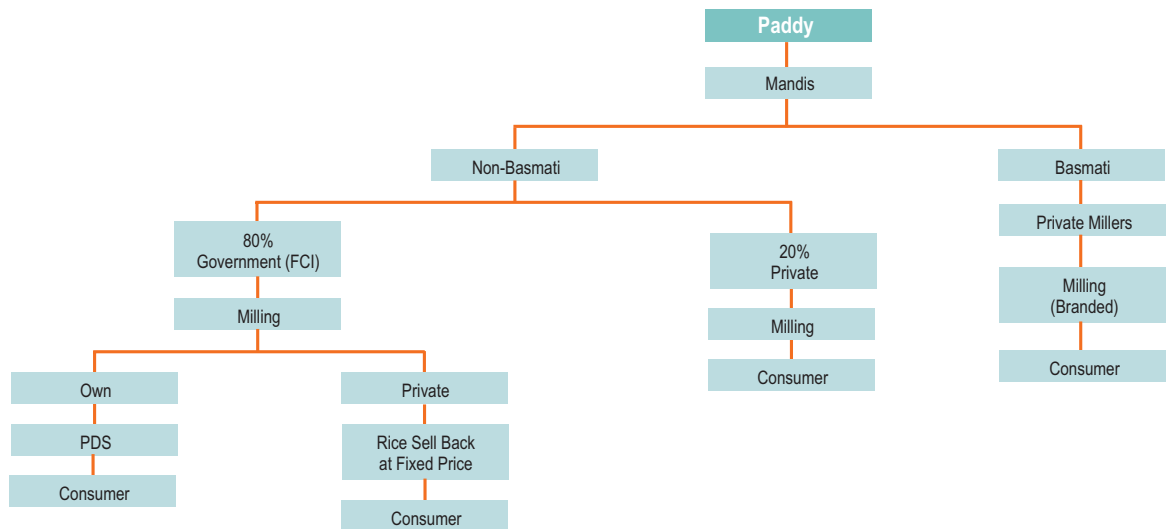
Indian rice scenario

Of the total 86m MT rice produced in the country, basmati rice contributes around 2m MT/annum

- India is the second largest producer of rice after China, producing around 86m MT of milled rice per annum. Unusually favorable weather conditions resulted in exceptionally good crop in the calendar year 2005. Thus, milled rice production in India increased by 0.8% to 86.4m MT coupled with 1.7% increase in the area harvested to 43m hectares.
- According to FAO, US, domestic consumption in South Asia is expected to grow at around 2.05% CAGR. For India, the rise in population should be the determining factor underpinning rice demand.
- Indian production is expected to rise to 140m MT by 2010 based on 0.8% growth in area harvested and 1.39% improvements in the yield backed by strong R&D activities resulting into high yielding varieties of rice.
- Of the total 86m MT rice produced in the country, basmati rice contributes around 2m MT/annum, of which around two-thirds is exported. Pakistan is the sole competitor for India in the international market for basmati rice.

Procurement network

Diagram 1: Paddy procurement system in India



Source: Company reports; IDBI Capital Market Services

80% of non-basmati paddy is procured by Government

Out of the total non-basmati paddy produced, 80% is secured by Government for which MSP (Minimum Statutory Price) is declared well in advance. This assurance of the price is modulated through agriculture produce markets locally called 'mandis'. Food Corporation of India is one of the largest organizations in the world and in India, which is undertaking assured procurement of food grains on behalf of Government of India throughout the country. Stocks of paddy directly purchased from the farmers are subsequently milled by FCI in their own mills or are allotted to private millers. Private millers have to process the paddy and sell back the rice produced to Government at predetermined price. Private millers thus can either directly produce rice by purchasing paddy or can purchase paddy from government and then resell back.

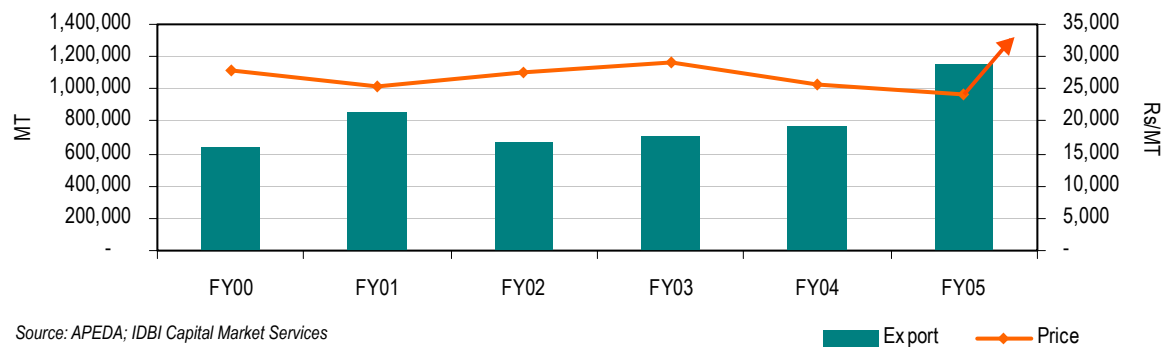
Basmati Paddy is bought to mandis by the farmers from where 'Pucca Artiya' (agents) purchases the paddy. Farmers have the right to sell the paddy to anyone, irrespective of the price offered. 'Artiyas' are appointed by the private millers who try to cover up as many mandis as possible to strengthen their procurement network.

Leading players in the industry like KRBL, Kohinoor Foods have already raised their basmati prices

Increasing rice prices

- Rice prices have been increasing in the calendar year 2006 on account of tighter demand supply scenario on the global scale. The situation is further deepened due to crop failure in Vietnam, the second largest exporter of rice.
- Rice consumption across the world is expected to increase steadily over next couple of years. Growth in demand is fuelled by rising per-capita income and increasing population. Going forward, we expect the upward trend in prices to continue.
- Basmati rice attracts premium in the rice segment for its unique feature of being long grained and aromatic. In addition, prices of basmati rice are highly dependent on the level of paddy production in the country, which is deeply influenced by climatic conditions.
- Paddy production in November and December 2006 (two important months in a year when significant portion of basmati paddy is produced) has reduced considerably leading to around 25-30% increase in basmati paddy prices.
- This has lead to steep surge in basmati rice price in FY07. Leading players in the industry like KRBL, Kohinoor Foods have already raised their basmati prices. Going forward, increasing domestic demand coupled with higher export demand is expected to keep the prices firm.
- During FY06, price of basmati was marginal higher at Rs.24,430/MT compared to Rs.24,061/MT in FY05. The price came down sharply from Rs.29,038/MT in FY03 due to rise in exports. The exports peaked to 1.2m MT in FY05.
- Currently, traditional basmati is sold at \$800-900/tonne, against \$500-600 a tonne in case of *Pusa*, a variety of basmati rice. *Super* basmati, another variety, fetches a \$60-70/tonne premium over *Pusa*.

Figure 1: Basmati quantity–price relationship



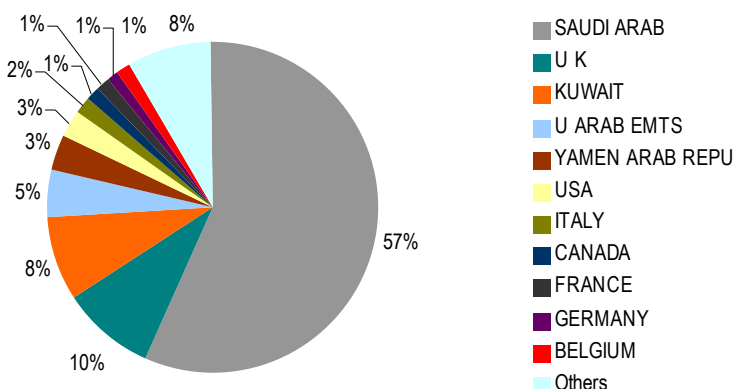
Source: APEDA; IDBI Capital Market Services

Basmati exports

Basmati exports expected to be down in FY07 on account of lower production

- According to Agricultural and Process Food Products Export Development Authority (APEDA), for the year ended March 2006 exports at 1.161m MT were down by 0.13% YoY.
- In FY07, exports are expected to be down by around 15% on account of lower basmati production.
- Between the period April-July 2006, basmati exports at 0.296m MT were down significantly by 21.5% valued at Rs.7,779.8m.
- Gulf region is the major market for Indian basmati rice including Saudi Arabia that accounts for the 57% of basmati exports from India. UK is the next important market for Indian basmati accounting for 10% of basmati exports followed by Kuwait that buys around 0.9m MT a year.

Figure 2: Indian basmati exports

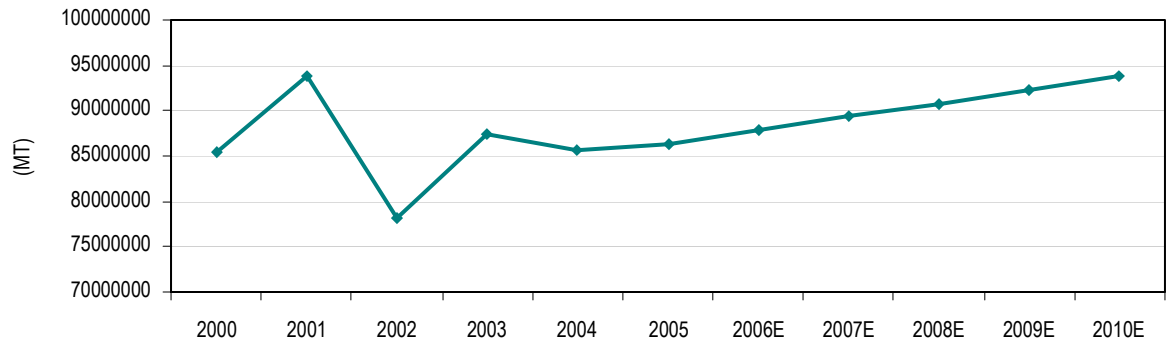


Source: APEDA; IDBI Capital Market Services

Indian demand-supply scenario

Figure 3: India's rice production

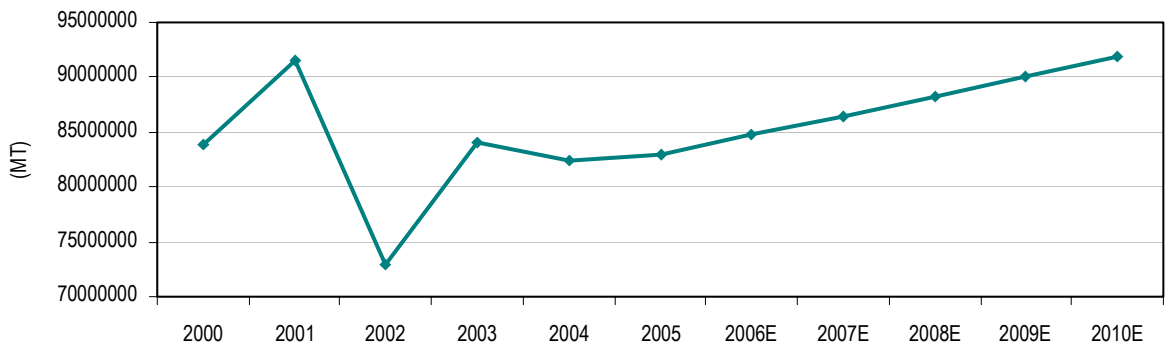
India's production growth declining...



Source: FAO; IDBI Capital Market Services

Figure 4: India's rice consumption

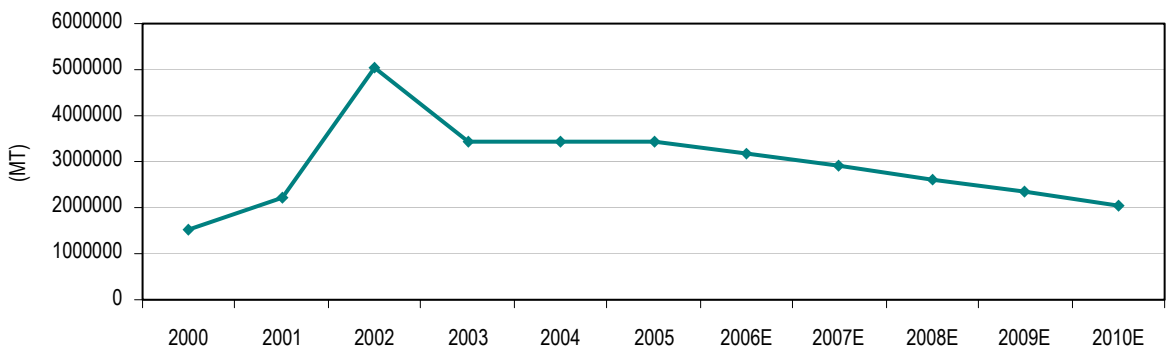
...alongwith increasing domestic consumption...



Source: FAO; IDBI Capital Market Services

Figure 5: India's rice export

... leading to reducing exports



Source: FAO; IDBI Capital Market Services

- Note: 1) Projected Growth Rate in Yield (1.39%), Area (0.28%) is based on growth rates in decade of 1985-96 - FAO.
 2) Demand growth rate of 2.05% is based on FAO estimate of South Asia's Growth Rate.
 3) Imports from 2004 onwards are assumed at 2003 levels.

Investment positives

Capacity expansion leading to 25% CAGR growth in rice revenues over the next 2 years

■ Sterling acquisition

KRBL has recently acquired the largest rice mill in the world from Oswal Agro in Dhuri, Punjab for Rs.158m. This mill, with initial capacity of 130 MTPH, is now revamped to 150 MTPH with an additional cost of Rs.1,000m. At full capacity it would absorb about 12% of the total paddy production of Punjab.

It will produce Indian non-basmati (75%) as well as basmati rice (25%). Out of the 75% non-basmati portion, around 50% will be through job work and rest 25% will be their own production. Thus, the apprehension for unavailability of paddy for non-basmati is unfounded. KRBL will earn around Rs.150/MT of the rice processed under job work.

This is expected to boost revenues by 25% CAGR over the next 2 years. Besides, the expansion in Dadri plant's capacity from 38 MTPH to 48 MTPH will add directly to the topline.

Table 2: Rice revenue model

		FY05	FY06	FY07E	FY08E
Total capacity	MT/Hour	68	158	198	198
Paddy consumed	MT	263,709	326,575	533,265	816,870
Rice production	MT	285,199	343,956	406,258	504,395
Turnover	MT	258,420	341,862	406,258	504,395
Unit realisation	Rs/MT	18,464	19,423	19,650	20,500
Rice revenue	Rs mn	4,772	6,640	7,983	10,340

Source: Company reports; IDBI Capital Market Services

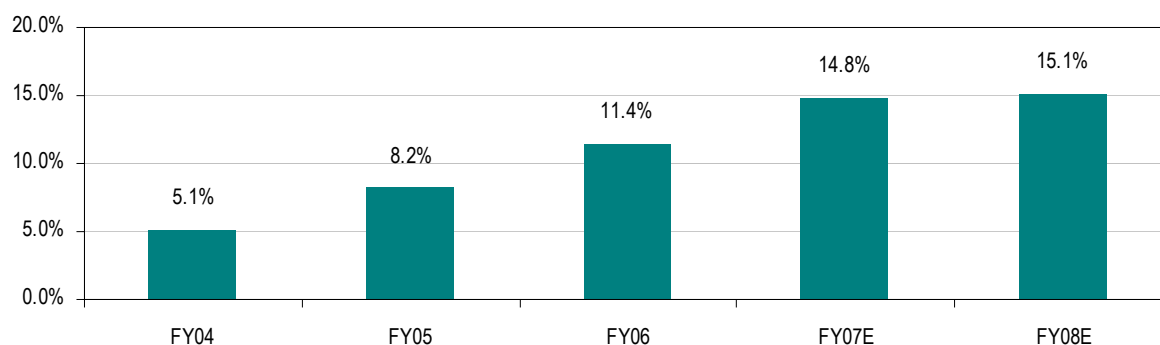
EBIDTA margins expected to boost to around 15% in FY08 from 11.4% in FY06

■ Escalating margins

Dhuri plant is becoming a fully integrated plant with facilities to produce value added products like rice bran oil, furfural and de-oiled cakes adding considerably to the topline and bottomline.

This plant producing bran oil (42 MTPD capacity), furfural (10 MTPD capacity) and cattle feed is expected to contribute additionally around Rs.713m/annum to topline alongwith boosting it's margins from 11.4% in FY06 to around 15% in FY08.

Figure 6 : Escalating EBIDTA margins



Source: Company reports; IDBI Capital Market Services

Increasing capacity expected to contribute to topline alongwith enhancing margins

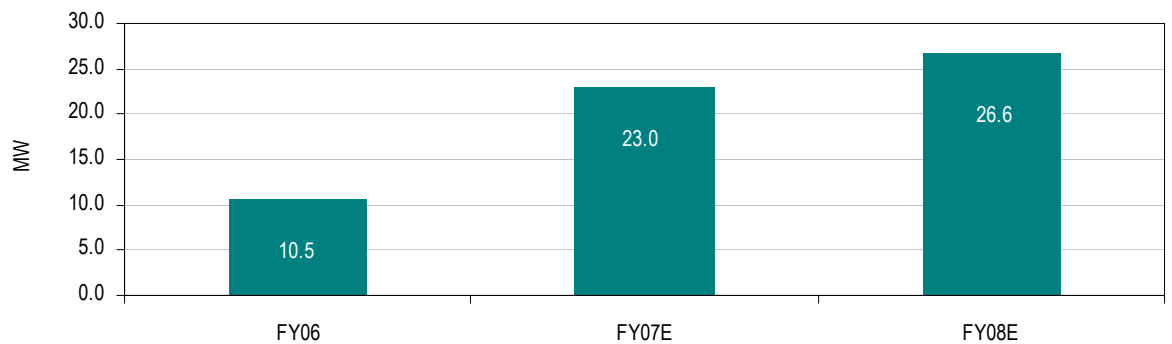
Powering growth

KRBL has the capacity to generate 10.5 MW of power using rice husk as fuel at a very low cost. The company will export 50% to the grid and the rest will be used for captive consumption. This is expected to generate revenues of around Rs.100m/annum.

Besides, the company has set up 12.5 MW windmill in Dhulia, Maharashtra for which it has signed a PPA (Power Purchase Agreement) with MSEB (Maharashtra State Electricity Board). This PPA is for next 13 years @ Rs.3.5/unit with escalating clause.

KRBL is planning to set up a 3.6 MW power plant in Ghaziabad for captive consumption. This is expected to result in cost savings enhancing EBIDTA margins significantly.

Figure 7: Growth in installed power capacity



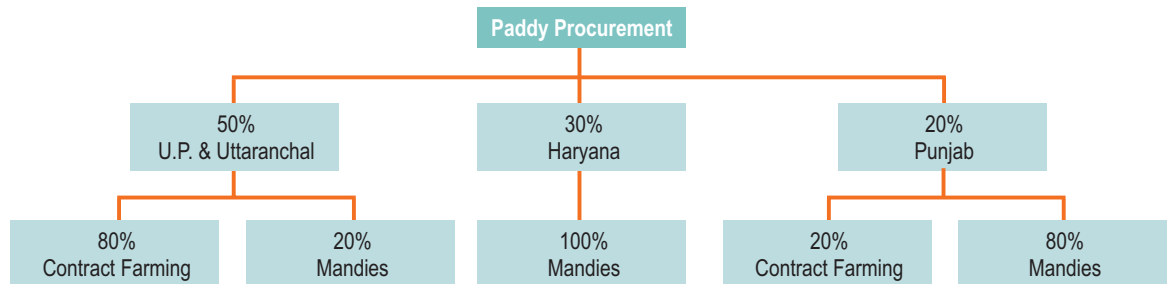
Source: Company reports; IDBI Capital Market Services

Adequate paddy availability

KRBL to increase procurement through contract farming

KRBL has earmarked 87,000 acres of land for contract farming in Uttaranchal, Uttar Pradesh and Punjab, which is expected to go up to 180,000 acres by 2010. On account of Dhuri Plant acquisition, Punjab Government has allowed KRBL to set up 10 private mandies to be treated at par with Government operated mandis.

Diagram 2: Procurement network



Source: Company reports; IDBI Capital Market Services

Strong foothold in USA and Middle East

■ **Strong exports**

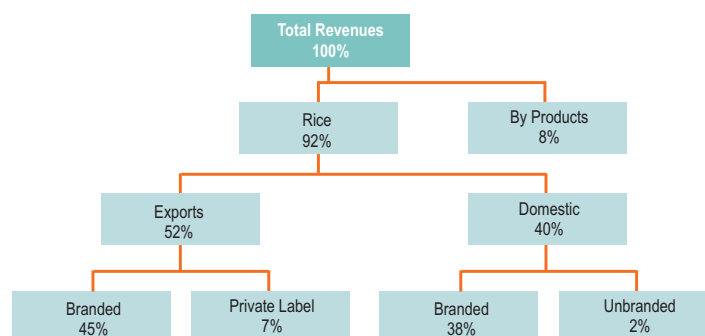
KRBL has strong foothold in export markets with 52% share of basmati rice market of USA and dominant presence in Middle East. The company has alliance with Omar Ali Balsharaf, leading conglomerate in Saudi Arabia and almost 100% coverage in cooperatives and supermarkets that account for 60% of distribution channels in Middle East. Another 25% of the channel is captured by wholesale market where KRBL has 88% coverage. Exports contribute around 52% of total revenues of KRBL.

Branded rice contributes around 83% of KRBL's revenue

■ **Strong brands**

KRBL has a basket of strong brands like *India Gate, Doon, Bemisal, Nur Jahan, Al Wisam, Lotus*, etc. Branded rice contributes around 83% of KRBL's revenue. The company has a strong foothold in the domestic market with the company occupying 30% of Indian branded rice market. In fact, KRBL's brand *India Gate* occupies 18% market share of Indian branded rice market.

Diagram 3: Revenue breakup (Branded and non branded)



Source: Company reports; IDBI Capital Market Services

Financials and valuations

Current market price is 4.8x FY08E EPS

In H1FY07, sales at Rs.4,181m was up by 27%YoY leading to 85% growth in PAT at Rs.292m.

KRBL is expected to grow stronger in times ahead due to increase in capacity and foray in to value added products. In FY08, the company is expected to post topline at Rs.11,729m reflecting 27% CAGR over the next 2 years till 2008. Induced by topline growth and escalating margins, PAT at Rs.857m is expected to witness 64% CAGR over the next 2 years.

KRBL raised around Rs.530m through a GDR issue, which led to equity dilution of 19% in FY06. Equity is expected to be further diluted by 14% in FY07 as KRBL has converted around 3m zero coupon warrants to shares.

The current market price of KRBL is 7.0x FY07E EPS of Rs.24.2 and 4.8x FY08E EPS of Rs.35.2. In past two year KRBL has been trading above 10x P/E. Assuming a conservative PE of 7x its FY08E EPS of Rs.35.2, we recommend a 'Buy' with a target price of Rs.246, which is 4% discount to our DCF valuation.

■ **Table 3: DCF valuation**

	FY07E	FY08E	FY09E	FY10E
FCFE	1,066	689	1,020	1,094
Terminal value less debt				4,805
FCFE	1,066	689	1,020	5,899
PV	1,066	595	761	3,803
NPV/share	256			

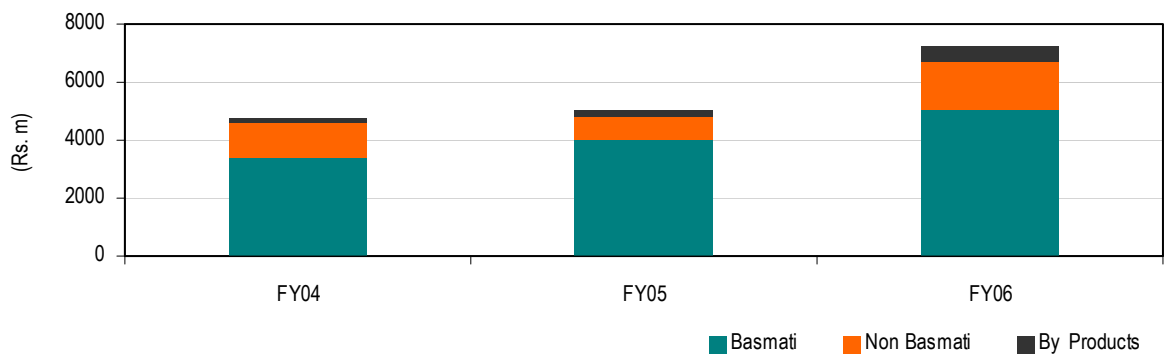
Note: Ce :15.8%, g :4.5%, Rf : 7.5%, B:1.65

Company profile

KRBL is the largest rice miller in the world and biggest basmati producer in the country with aggregate rice milling capacity of 198 MTPH. It has two plants located at Dadri in Uttar Pradesh and Dhuri in Punjab. Dadri plant has recently been expanded to the capacity of 48 MTPH. Dhuri plant that has been purchased from Oswal Agro is a fully integrated plant. Going forward, both plants are expected to increase their capacity utilization rates leading to higher production.

KRBL derives 92% of its revenues from rice sales with rest being contributed by the by-products sale. The ratio of by product sales to total sales is expected to increase going forward on account of additional revenues from power, bran oil, deoiled cakes and furfural. In the rice segment, the proportion of non-basmati rice sales has increased in FY06 on account of Dhuri plant acquisition.

Figure 8: Revenue breakup



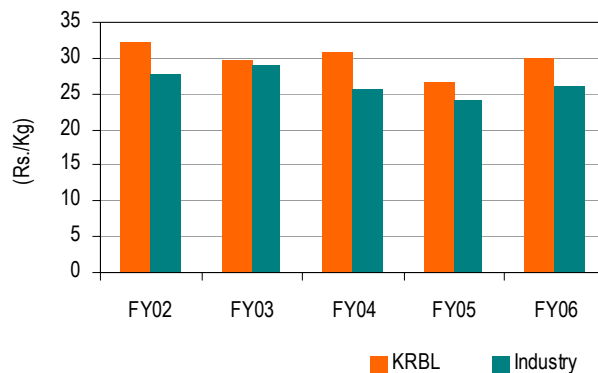
Source: Company reports; IDBI Capital Market Services

Exports of basmati rice account for 52% of total revenue whereas the domestic sales account for 40%. Company has strong brands in basmati segment like *India Gate*, *Doon*, *Nurjahan*, *Bemisal*, *Aarti* coupled with new launches such as Indian farm and Unity. With its strong brands KRBL accounts for 12% of India’s overall basmati exports.

Strong brand coupled with higher quality in basmati as well as non-basmati segment fetches higher premium for KRBL in comparison to the industry average.

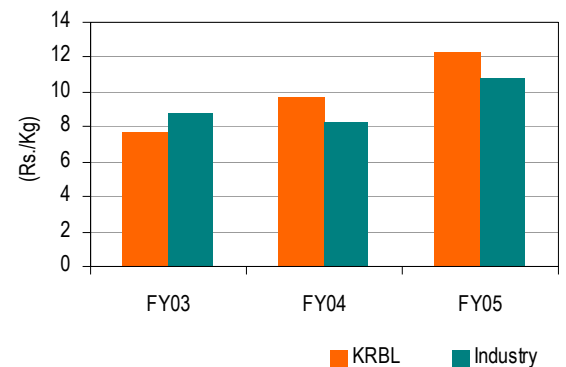
Figure 9: Average price realisation

Basmati



Source: Company reports; IDBI Capital Market Services

Non-basmati



Source: Company reports; IDBI Capital Market Services

Peer comparison

Table 4: Peer comparison

Year-end: March '06		REI Agro	KRBL	Lakshmi Energy	Kohinoor Foods	LT Overseas	Chamanlal Setia	Usher Agro
Capacity	MTPH	49	158	80*	40	30	8	8
Turnover	Rs.m	9,578	7,248	5,584	5,399	4,008	805	385
Operating profit (Incl. of OI)	Rs.m	1,507	910	751	519	329	45	38
Reported net profit	Rs.m	660	320	420	208	111	17	16
EPS	Rs.	16.7	15.0	38.6	10.3	15.0	1.8	2.7
Book value	Rs.	74	125	119	62	83	24	18
D/E ratio	x	2.6	1.5	0.8	2.7	3.8	1.3	1.4
PBIDTM	%	15.7	12.6	13.4	9.6	8.2	5.6	10.0
NPM	%	6.9	4.4	7.5	3.9	2.8	2.1	4.2
ROCE (Incl. of OI)	%	16.1	13.8	38.1	10.3	10.3	7.2	14.3
RONW	%	32.0	15.9	42.0	18.3	20.1	7.6	16.4
Current market price	Rs.	203	170	159	71	48	30	13
Equity(Subscribed)	Rs.m	388	214	110	196	223#	95	180#
P/E ratio	x	10.8	11.2	21.5	8.4	9.3	18.7	13.9
EV/EBIDTA	x	9.6	8.2	13.2	9.5	0.0	11.4	0.0

Note: * Reported 705,000 MTPA (Converted to MTPH assuming 365 days); # Latest equity

Source: Capitaline; IDBI Capital Market Services

Table 5: Quarterly results

(Rs m)

Particulars	Q2FY07	Q2FY06	(% Var)	H1FY07	H1FY06	(% Var)
Sales	2,278	1,775	28	4,181	3,287	27
Other income	12	8	46	22	14	56
PBIDT	327	215	52	631	393	61
Interest	82	59	40	185	111	67
PBDT	245	156	57	446	282	58
Depreciation	36	28	29	69	47	48
PBT	209	128	63	377	235	61
Tax	57	47	248	85	77	129
PAT	151	81	88	292	158	85

Source: Company reports; IDBI Capital Market Services

Financial summary

Profit and loss account

(Rs m)

Year-end: March	FY05	FY06	FY07E	FY08E
Net sales	5,027	7,248	9,028	11,729
Expenditure				
Change in stocks	(578)	(123)	-	-
Raw material	4,511	5,654	6,602	8,542
Power and fuel cost	118	126	154	200
Other manufacturing expenses	124	184	225	293
Administrative expenses	118	178	218	284
Selling and distribution expenses	320	399	489	635
Total	4,613	6,418	7,688	9,953
EBDITA	414	830	1,340	1,775
Interest/Financial charges	109	300	363	395
Gross profit	305	529	977	1,380
Depreciation	75	119	167	167
EBT	230	411	811	1,214
Other income	32	76	76	76
PBT	262	486	886	1,289
Total tax	94	166	297	433
PAT	169	320	589	857

Source: Company reports; IDBI Capital Market Services

Balance sheet

(Rs m)

Year-end: March	FY05	FY06	FY07E	FY08E
Sources of funds				
Total shareholders' fund	1,783	2,664	3,197	3,999
Equity	179	214	243	243
Reserves and surplus	1,452	2,193	2,727	3,528
Convertible zero coupon warrants	153	257	227	227
Total debt	2,959	4,519	4,919	4,919
Secured loans	2,959	4,519	4,919	4,919
Total liabilities	4,742	7,182	8,116	8,917
Application of funds				
Gross block	1,233	1,631	2,285	2,285
Accumulated depreciation	346	463	630	796
Net block	887	1,168	1,656	1,489
Capital work in progress	195	304	-	-
Current assets	4,145	6,075	7,301	8,541
Inventories				
Finished goods	1,337	1,460	1,460	1,460
Raw material	1,651	2,205	2,196	2,196
Others	48	111	111	111
Total inventories	3,036	3,776	3,767	3,767
Sundry debtors	881	1,424	1,583	2,056
Cash and bank	120	671	1,757	2,466
Loans and advances	108	205	194	253
Less: Current liabilities and provisions	428	285	719	931
Current liabilities	379	211	632	819
Provisions	48	74	87	113
Net current assets	3,717	5,790	6,582	7,610
Net deferred tax	(57)	(80)	(122)	(182)
Total assets	4,742	7,182	8,116	8,917

Source: Company reports; IDBI Capital Market Services

■ Cashflow statement

(Rs m)

Year-end: March	FY05	FY06	FY07E	FY08E
PAT	169	320	589	857
Depreciation	75	119	167	167
Deferred tax	29	23	42	60
Other income	(32)	(76)	(76)	(76)
Inc/(Dec) in working capital	(1,381)	(1,522)	295	(319)
(Inc)/Dec in receivables	(452)	(543)	(159)	(473)
(Inc)/Dec in inventories	(1,193)	(740)	9	-
(Inc)/Dec in loans and advances	21	(97)	10	(58)
Inc/(Dec) in current liabilities	243	(143)	434	212
Cash from operation	(1,140)	(1,135)	1,016	689
Other income	32	76	76	76
Net (Pur)/Sale of assets/Capex	(341)	(507)	(350)	-
Cash from investing	(309)	(432)	(275)	76
Dividends and tax thereon	(41)	(48)	(55)	(55)
Net borrowing	1,258	1,560	400	-
Equity issue	2	34	30	-
Share premium	-	468	-	-
Convertible warrants	153	105	(30)	-
Cash from financing	1,372	2,118	345	(55)
Cash flow	(78)	551	1,086	709
Opening balance	198	120	671	1,757
Closing balance	120	671	1,757	2,466

Source: Company reports; IDBI Capital Market Services

■ Ratios

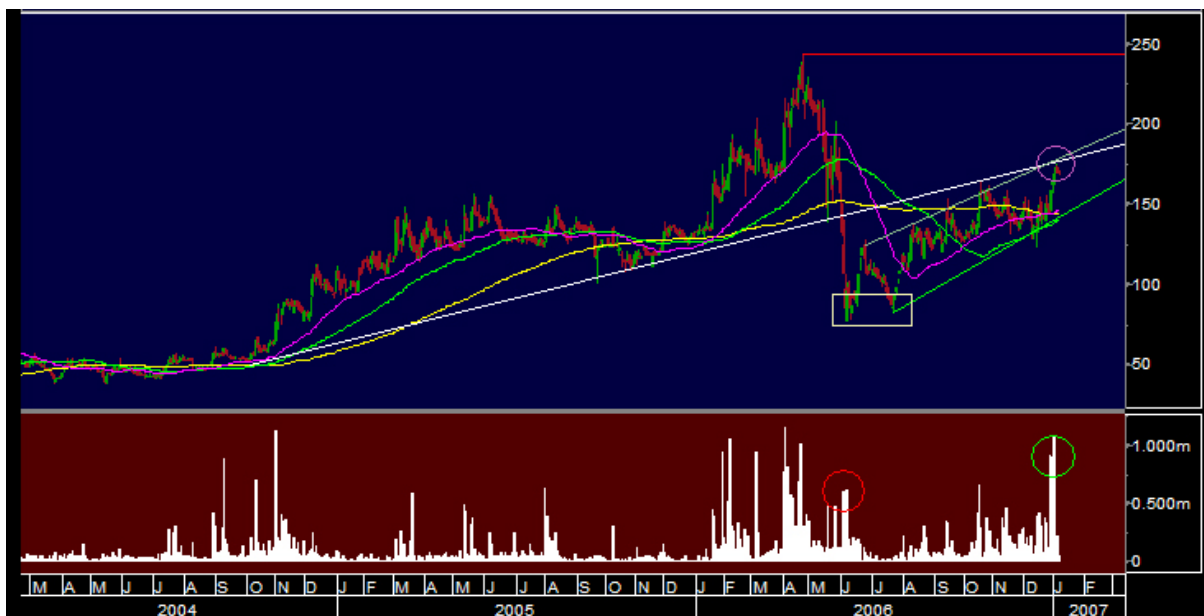
Year-end: March	FY05	FY06	FY07E	FY08E
Per share values				
EPS (Rs)	9.4	15.0	24.2	35.2
Cash EPS	15.2	21.6	32.8	44.6
DPS (Rs)	2.3	2.3	2.3	2.3
Book value (Rs)	99.5	124.8	132.8	165.7
Sales per share (Rs)	280	339	371	482
Valuations				
P/E (x)	18.0	11.3	7.0	4.8
Cash P/E (x)	11.2	7.9	5.2	3.8
P/B (x)	1.7	1.4	1.3	1.0
P/S (x)	0.6	0.5	0.5	0.4
Price (Rs) Year end	170	170	170	170
Profitability/returns/liquidity				
OPM (%)	8.2	11.4	14.8	15.1
NPM (%)	3.4	4.4	6.5	7.3
ROCE (%)	7.7	8.9	12.8	16.2
ROE (%)	10.8	15.9	21.9	25.4
Debt/Equity	1.5	1.5	1.4	1.1
Interest coverage (times)	3.8	2.8	3.7	4.5
Current ratio	9.7	21.3	10.2	9.2
Other ratios				
EV	5,888	7,478	7,294	6,586
EBITDA	414	830	1340	1775
EV/EBITDA	14.2	9.0	5.4	3.7
EV/Turnover	1.2	1.0	0.8	0.6

Source: Company reports; IDBI Capital Market Services

Technical evaluation

Analyst

Ankur Agarwala
+91-22-6637 1155
ankur.agarwala@idbicapital.com



Source: Bloomberg

After the steep correction witnessed during the may fall, the reversal came in after formation of a double bottom pattern. Since then it has been rising gradually. Currently the price lies above the 50, 100 and 200 day moving average. MACD is also showing a positive divergence indicating a positive outlook for the stock.

Lately the stock has witnessed a steep rise from Rs.150 levels backed with huge volumes but their lies a strong resistance between Rs.175 – Rs.180. On the downside a good support lies between Rs.130 to Rs.140 levels. If KRBL is able to sustain above Rs.180, it has the potential to touch Rs.220 in next couple of months.

Equity Sales/Dealing

Manish Agarwal	(91-22) 66371152/54	manish.agarwal@idbicapital.com
Ankur Agarwala	(91-22) 66371155	ankur.agarwala@idbicapital.com
Vikash Bhartiya	(91-22) 66371152	vikash.bhartiya@idbicapital.com
Manoj Shettigar	(91-22) 66371157	manoj.shettigar@idbicapital.com
Rachit Shah	(91-22) 66371153	rachit.shah@idbicapital.com
Manisha Rathod	(91-22) 66371156	manisha.rathod@idbicapital.com
Charushila Parkar	(91-22) 66371154	charushila.parkar@idbicapital.com
Himanshu Marfatia	(91-22) 66371151	himanshu.marfatia@idbicapital.com

Production & Database

S. Narasimhan Rao	(91-22) 66371165	narasimhan.rao@idbicapital.com
-------------------	------------------	--------------------------------

IDBI Capital Market Services Ltd. (A wholly owned subsidiary of IDBI Ltd.)

Registered Office: 5th floor, Mafatal Centre, Nariman Point, Mumbai – 400 021. Phones: (91-22) 6637 1212 Fax: (91-22) 2288 5850 Email: info@idbicapital.com

Disclaimer

This document has been prepared by IDBI Capital Market Services Ltd (IDBI Capital) and is meant for the recipient for use as intended and not for circulation. This document should not be reported or copied or made available to others. The information contained herein is from the public domain or sources believed to be reliable. While reasonable care has been taken to ensure that information given is at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the very nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. IDBI Capital, its directors and employees, will not in any way be responsible for the contents of this report. This is not an offer to sell or a solicitation to buy any securities. The securities discussed in this report may not be suitable for all investors. Investors must make their own investment decision based on their own investment objectives, goals and financial position and based on their own analysis. IDBI Capital, its directors or employees, may from time to time, have positions in, or options on, and buy and sell securities referred to herein. IDBI Capital, during the normal course of business, from time to time, may solicit from or perform investment banking or other services for any company mentioned in this document.