

**ON THE ROAD**

We hosted NTPC's top mgmt for a NDR in the UK during last week. Appreciating their initiative to reiterate NTPC's robust business model and low risk profile amidst persistent concerns in the power space, most investors still appeared to be in the 'watch' mode on the stock/sector. Key comments – [1] Payments within 60 days of billing cycle; APTEL's order on tariff revisions is a potential watershed for SEBs, [2] Capacity addition, captive mining plans on track; bulk tender awards to begin in Dec-11, [3] Averse to buyback; open to crossholdings if it entails a strategic advantage. Maintain BUY.

Price target: 206.0 INR

Price (28 Nov 2011): 159.65 INR

Research analyst: Anirudh Gangahar

+91 22 4037 4516

anirudh.gangahar@nomura.com

Research analyst: Ivan Lee, CFA

+852 2252 6213

ivan.lee@nomura.com

Research analyst: Ankit Kumar

+91 22 4037 4008

ankit.kumar@nomura.com

Publish Date: 29 Nov 2011

**Takeaways from Non-deal Roadshow in UK**

We hosted the top management of NTPC – Mr. Arup Roy Choudhury (Chairman & MD) and Mr. A.K. Singhal (Director, Finance), together with Ms. Renu Narang (AGM, Finance-ISD/Bonds & PDS) – for a non-deal roadshow (NDR) in the UK last week (Nov 23-25). NTPC's first NDR in Europe/UK seemed to be well received – clients appreciated the top brass' initiative to be in front of investors to field queries / allay concerns and present their case on why NTPC is well positioned relative to private IPPs amidst the persistent concerns over the power sector in India.

Overall, management's commentary on key issues (payment security, fuel security, capacity addition, funding /capex and cash deployment) was largely along expected lines. However, amidst the persistent negativity surrounding investment in Indian power utilities, management's summary of its low-risk business model and the potential implications of APTEL's recent court order to address the financial health of SEBs did come across as a positive surprise for a few clients. NTPC remains our preferred IPP on relative fuel/payment security; we expect FY12F-17F EPS CAGR at ~11%. Stock trades at 1.7x FY13F P/Book; maintain BUY.

**Management commentary on five key issues/concerns –****[1] Financial health of SEBs and payment security**

NTPC's management reiterated that, although only a handful of SEBs were paying up within the first few days of the billing cycle, none of the SEBs had dues outstanding for more than 60 days for current billings. While the RBI guarantee for recovery of dues under a payment security mechanism is in place up to 2016, the NTPC management emphasized that recent order by the Appellate Tribunal (APTEL) ensuring annual tariff revisions by State Regulators (SERCs) is the potential inflexion point from where SEB losses will begin to get curtailed.

**[2] Coal demand/supply balance for XIIth Plan project pipeline**

With the backdrop of growing concern over a ramp-up of production by Coal India (CIL) and delay in restoration of captive coal blocks to NTPC by the Ministry of Coal (MoC), NTPC's coal demand/supply balance was a ubiquitous topic of discussion.

*As per the NTPC management –*

- Materialization of coal supply under the FSAs (for 125mtpa) and linkage (LoAs) stood at nearly 100% for NTPC; advance payment to CIL for the coal dispatches together with focused personnel on logistical issues are likely to ensure its 'effective' preferred customer status
- Boilers at its existing units can typically accommodate 15-20% of coal blending. However, management would strive to keep the blending at ~10% in order to minimize the rise in variable cost. As regards securing imported coal, preferred option is to enter into long-term supply agreements with mine owners.
- Although the official communiqué on restoration of the five de-allocated coal blocks is awaited, physical work on the captive coal blocks is underway. Coal production from Pakri Barwadih coal mine is on schedule to begin in 3QFY12.
- Mineable reserves in its five captive coal blocks aggregate ~2bn tons. Five additional coal blocks, which MoC has in-principle agreed to allot to NTPC would fuel ~7.7GW of upcoming capacity.
- For its FY2017 target generation capacity of 66GW (~35GW currently), NTPC would require 260-270mt of coal; supply build-up would be 125mt under FSA, ~50mt captive coal (~20% of requirement), 30-35mt equivalent imported coal (implying 12-15% blending) and ~60mt incremental supply (~23% of requirement) from CIL.

In our assessment, investors remained circumspect on the ramp-up of coal production from both captive coal blocks as well as CIL's ability to provide the additional 60mt coal supply by FY2017,

### [3] Capacity addition on track; bulk tender awards expected by March 2012

Management remains confident of commissioning 4.3GW of capacity in FY12 (1.2GW commissioned so far) and maintaining a similar average annual run-rate thereafter in the XIIth Plan. On bulk tendering – 3x800MW is expected to be awarded by December 2011, remaining 6x800MW by March 2012; although the 660MW tendering is under litigation, management remains hopeful of completing the awards by March 2012 itself.

### [4] Funding status, cash flows and leverage

Ruling out the need for fresh equity issuance, management emphasized that its recurring cash flows, existing cash chest and low leverage ensures that funding its target capex of ~US\$40bn in the XIIth Plan Period (FY2013-17) is not a constraint. The management mentioned that it expects leverage would rise from 0.64x as of September 2011 to ~1.9x by March 2017, but comfortably below the default ceiling of 2.33x (implied by the 70:30 D/E funding mix for its projects). Highlighting its financial strength, the NTPC management reminded that its recent US\$500mn Eurobond issue was oversubscribed by six-times; it has ~US\$5bn of undrawn debt at this time.

### [5] Crossholdings / buybacks / special dividends

As regards recent commentary by the Government on utilization of 'surplus' cash with public sector enterprises towards crossholding / buybacks / special dividends, the management stated – (1) Crossholdings may be considered by the Board independently, if it results in any strategic advantage for NTPC, (2) Buybacks is not a favored option, (3) Current dividend policy (payout ratio of ~40%) adequately balances growth & payout requirements.

**Valuation Methodology and Investment Risks:** See Below for Valuation Methodology and Risks

Note: Ratings and Price Targets are as of the date of the most recently published report (<http://go.nomuranow.com/research/globalresearchportal>) rather than the date of this email.

### New force in Research: Global from east to west

Nomura Equity Research website: <http://go.nomuranow.com/research/globalresearchportal>

Nomura Strategy website: <https://apps.nomuranow.com/EQS>

### Analyst Certification

We, Anirudh Gangahar, Ivan Lee, CFA and Ankit Kumar, hereby certify (1) that the views expressed in this Research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this Research report, (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this Research report and (3) no part of our compensation is tied to any specific investment banking transactions performed by Nomura Securities International, Inc., Nomura International plc or any other Nomura Group company.

### Issuer Specific Regulatory Disclosures

#### Mentioned companies

Issuer name	Ticker	Price	Price date	Stock rating	Disclosures
NTPC	NTPC IN	159.65 INR	28 Nov 2011	Buy	

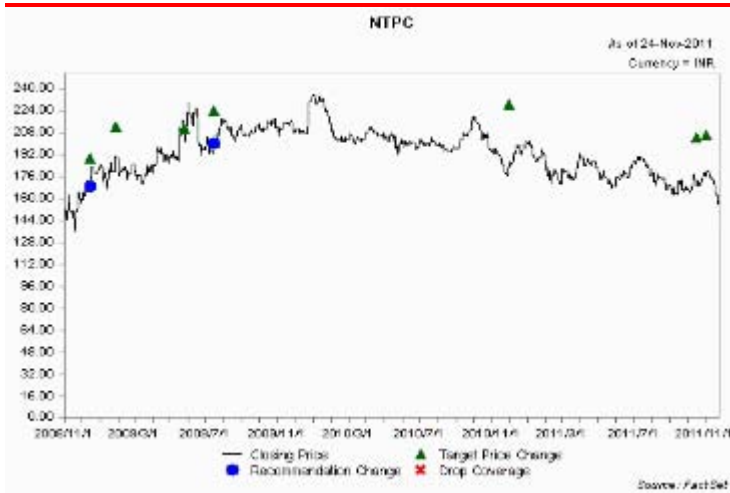
### Previous Rating

Issuer name	Previous Rating	Date of change
NTPC	Neutral	15 Jul 2009

### NTPC (NTPC IN)

159.65 INR (28 Nov 2011) Buy

Rating and target price chart (three year history)



Date	Rating	Target price	Closing price
03-Nov-2011		206.00	178.00
17-Oct-2011		204.00	168.45
01-Dec-2010		228.00	186.35
15-Jul-2009		224.00	199.50
15-Jul-2009	Buy		199.50
26-May-2009		210.00	201.40
29-Jan-2009		212.00	189.95
15-Dec-2008		189.00	168.50
15-Dec-2008	Neutral		168.50

For explanation of ratings refer to the stock rating keys located after chart(s)

**Valuation Methodology** Our TP of INR206 is a sum of the fair value of operating assets based on a residual income model (INR176), investment in JVs/subsidiaries (~INR10) and book value of FY12F non-operating financial assets (~INR21). Key assumptions of our model are 1) Cost of equity - 12.5%; 2) Terminal RoE - 18.5%; and 3) terminal growth rate - 2%.

**Risks that may impede the achievement of the target price** 1) Project execution delays; 2) lower coal supplies under already signed FSAs/LoAs; 3) reinvestment risk; and 4) adverse regulatory changes.

## Important Disclosures

### Online availability of research and conflict-of-interest disclosures

Nomura research is available on [www.nomuranow.com](http://www.nomuranow.com), Bloomberg, Capital IQ, Factset, MarkitHub, Reuters and ThomsonOne.

Important disclosures may be read at <http://go.nomuranow.com/research/globalresearchportal/pages/disclosures/disclosures.aspx/> or requested from Nomura Securities International, Inc., on 1-877-865-5752. If you have any difficulties with the website, please email [grpsupport-eu@nomura.com](mailto:grpsupport-eu@nomura.com) for help.

The analysts responsible for preparing this report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by Investment Banking activities. Unless otherwise noted, the non-US analysts listed at the front of this report are not registered/qualified as research analysts under FINRA/NYSE rules, may not be associated persons of NSI, and may not be subject to FINRA Rule 2711 and NYSE Rule 472 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

**Industry Specialists** identified in some Nomura International plc research reports are employees within the Firm who are responsible for the sales and trading effort in the sector for which they have coverage. Industry Specialists do not contribute in any manner to the content of research reports in which their names appear. **Marketing Analysts** identified in some Nomura research reports are research analysts employed by Nomura International plc who are primarily responsible for marketing Nomura's Equity Research product in the sector for which they have coverage. Marketing Analysts may also contribute to research reports in which their names appear and publish research on their sector.

### Distribution of ratings (Global)

The distribution of all ratings published by Nomura Global Equity Research is as follows:

49% have been assigned a Buy rating which, for purposes of mandatory disclosures, are classified as a Buy rating; 41% of companies with this rating are investment banking clients of the Nomura Group\*.

41% have been assigned a Neutral rating which, for purposes of mandatory disclosures, is classified as a Hold rating; 50% of companies with this rating are investment banking clients of the Nomura Group\*.

10% have been assigned a Reduce rating which, for purposes of mandatory disclosures, are classified as a Sell rating; 20% of companies with this rating are investment banking clients of the Nomura Group\*.

As at 30 September 2011. \*The Nomura Group as defined in the Disclaimer section at the end of this report.

### Explanation of Nomura's equity research rating system in Europe, Middle East and Africa, US and Latin America

The rating system is a relative system indicating expected performance against a specific benchmark identified for each individual stock. Analysts may also indicate absolute upside to target price defined as (fair value - current price)/current price, subject to limited management discretion. In most cases, the fair value will equal the analyst's assessment of the current intrinsic fair value of the stock using an appropriate valuation methodology such as discounted cash flow or multiple analysis, etc.

## STOCKS

A rating of '**Buy**', indicates that the analyst expects the stock to outperform the Benchmark over the next 12 months. A rating of '**Neutral**', indicates that the analyst expects the stock to perform in line with the Benchmark over the next 12 months. A rating of '**Reduce**', indicates that the analyst expects the stock to underperform the Benchmark over the next 12 months. A rating of '**Suspended**', indicates that the rating, target price and estimates have been suspended temporarily to comply with applicable regulations and/or firm policies in certain circumstances including, but not limited to, when Nomura is acting in an advisory capacity in a merger or strategic transaction involving the company.

Benchmarks are as follows: **United States/Europe**: Please see valuation methodologies for explanations of relevant benchmarks for stocks (accessible through the left hand side of the Nomura Disclosure web page: <http://go.nomuranow.com/research/globalresearchportal/>); **Global Emerging Markets (ex-Asia)**: MSCI Emerging Markets ex-Asia, unless otherwise stated in the valuation methodology.

## SECTORS

A '**Bullish**' stance, indicates that the analyst expects the sector to outperform the Benchmark during the next 12 months. A '**Neutral**' stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next 12 months. A '**Bearish**' stance, indicates that the analyst expects the sector to underperform the Benchmark during the next 12 months.

Benchmarks are as follows: **United States**: S&P 500; **Europe**: Dow Jones STOXX 600; **Global Emerging Markets (ex-Asia)**: MSCI Emerging Markets ex-Asia.

## Explanation of Nomura's equity research rating system for Asian companies under coverage ex Japan published from 30 October 2008 and in Japan from 6 January 2009

### STOCKS

Stock recommendations are based on absolute valuation upside (downside), which is defined as (Target Price - Current Price) / Current Price, subject to limited management discretion. In most cases, the Target Price will equal the analyst's 12-month intrinsic valuation of the stock, based on an appropriate valuation methodology such as discounted cash flow, multiple analysis, etc.

A '**Buy**' recommendation indicates that potential upside is 15% or more. A '**Neutral**' recommendation indicates that potential upside is less than 15% or downside is less than 5%. A '**Reduce**' recommendation indicates that potential downside is 5% or more. A rating of '**Suspended**' indicates that the rating and target price have been suspended temporarily to comply with applicable regulations and/or firm policies in certain circumstances including when Nomura is acting in an advisory capacity in a merger or strategic transaction involving the subject company.

Securities and/or companies that are labelled as '**Not rated**' or shown as '**No rating**' are not in regular research coverage of the Nomura entity identified in the top banner. Investors should not expect continuing or additional information from Nomura relating to such securities and/or companies.

### SECTORS

A '**Bullish**' rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a positive absolute recommendation. A '**Neutral**' rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a neutral absolute recommendation. A '**Bearish**' rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a negative absolute recommendation.

## Explanation of Nomura's equity research rating system in Japan published prior to 6 January 2009

### STOCKS

A rating of '1' or '**Strong buy**', indicates that the analyst expects the stock to outperform the Benchmark by 15% or more over the next six months. A rating of '2' or '**Buy**', indicates that the analyst expects the stock to outperform the Benchmark by 5% or more but less than 15% over the next six months. A rating of '3' or '**Neutral**', indicates that the analyst expects the stock to either outperform or underperform the Benchmark by less than 5% over the next six months. A rating of '4' or '**Reduce**', indicates that the analyst expects the stock to underperform the Benchmark by 5% or more but less than 15% over the next six months. A rating of '5' or '**Sell**', indicates that the analyst expects the stock to underperform the Benchmark by 15% or more over the next six months. Stocks labeled '**Not rated**' or shown as '**No rating**' are not in Nomura's regular research coverage. Nomura might not publish additional research reports concerning this company, and it undertakes no obligation to update the analysis, estimates, projections, conclusions or other information contained herein.

### SECTORS

A '**Bullish**' stance, indicates that the analyst expects the sector to outperform the Benchmark during the next six months. A '**Neutral**' stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next six months. A '**Bearish**' stance, indicates that the analyst expects the sector to underperform the Benchmark during the next six months.

Benchmarks are as follows: **Japan**: TOPIX; **United States**: S&P 500, MSCI World Technology Hardware & Equipment; **Europe**, by sector - *Hardware/Semiconductors*: FTSE W Europe IT Hardware; *Telecoms*: FTSE W Europe Business Services; *Business Services*: FTSE W Europe; *Auto & Components*: FTSE W Europe Auto & Parts; *Communications equipment*: FTSE W Europe IT Hardware; **Ecology Focus**: Bloomberg World Energy Alternate Sources; **Global Emerging Markets**: MSCI Emerging Markets ex-Asia.

### Target Price

A Target Price, if discussed, reflect in part the analyst's estimates for the company's earnings. The achievement of any target price may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings differ from estimates.

### Disclaimers

This document contains material that has been prepared by the Nomura entity identified at the top or bottom of page 1 herein, if any, and/or, with the sole or joint contributions of one or more Nomura entities whose employees and their respective affiliations are specified on page 1 herein or identified elsewhere in the document. Affiliates and subsidiaries of Nomura Holdings, Inc. (collectively, the 'Nomura Group'), include: Nomura Securities Co., Ltd. ('NSC') Tokyo, Japan; Nomura International plc ('Nlplc'), UK; Nomura Securities International, Inc. ('NSI'), New York, US; Nomura International (Hong Kong) Ltd. ('NIHK'), Hong Kong; Nomura Financial Investment (Korea) Co., Ltd. ('NFIK'), Korea (Information on Nomura analysts registered with the Korea Financial Investment Association ('KOFIA') can be found on the KOFIA Intranet at <http://dis.kofia.or.kr>); Nomura Singapore Ltd. ('NSL'), Singapore (Registration number 197201440E, regulated by the Monetary Authority of Singapore); Capital Nomura Securities Public Company Limited ('CNS'), Thailand; Nomura Australia Ltd. ('NAL'), Australia (ABN 48 003 032 513), regulated by the Australian Securities and Investment Commission ('ASIC') and holder of an Australian financial services licence number 246412; P.T. Nomura Indonesia ('PTNI'), Indonesia; Nomura Securities Malaysia Sdn. Bhd. ('NSM'), Malaysia; Nomura International (Hong Kong) Ltd., Taipei Branch ('NITB'), Taiwan; Nomura Financial Advisory and Securities (India) Private Limited ('NFASL'), Mumbai, India (Registered Address: Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400 018, India; Tel: +91 22 4037 4037, Fax: +91 22 4037 4111; SEBI Registration No: BSE INB011299030, NSE INB231299034, INF231299034, INE 231299034, MCX: INE261299034); Banque Nomura France ('BNF'), regulated by the Autorité des marchés financiers and the Autorité de Contrôle Prudentiel; Nlplc, Dubai Branch ('Nlplc, Dubai'); Nlplc, Madrid Branch ('Nlplc, Madrid') and Nlplc, Italian Branch ('Nlplc, Italy').

This material is: (i) for your private information, and we are not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any security in any jurisdiction where such offer or solicitation would be illegal; and (iii) based upon information from sources that we consider reliable, but has not been independently verified by Nomura Group.

Nomura Group does not warrant or represent that the document is accurate, complete, reliable, fit for any particular purpose or merchantable and does not accept liability for any act (or decision not to act) resulting from use of this document and related data. To the maximum extent permissible all warranties and other assurances by Nomura group are hereby excluded and Nomura Group shall have no liability for the use, misuse, or distribution of this information.

Opinions or estimates expressed are current opinions as of the original publication date appearing on this material and the information, including the opinions and estimates contained herein, are subject to change without notice. Nomura Group is under no duty to update this document. Any comments or statements made herein are those of the author(s) and may differ from views held by other parties within Nomura Group. Clients should consider whether any advice or recommendation in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. Nomura Group does not provide tax advice.

Nomura Group, and/or its officers, directors and employees, may, to the extent permitted by applicable law and/or regulation, deal as principal, agent, or otherwise, or have long or short positions in, or buy or sell, the securities, commodities or instruments, or options or other derivative instruments based thereon, of issuers or securities mentioned herein. Nomura Group companies may also act as market maker or liquidity provider (as defined within Financial Services Authority ('FSA') rules in the UK) in the financial instruments of the issuer. Where the activity of market maker is carried out in accordance with the definition given to it by specific laws and regulations of the US or other jurisdictions, this will be separately disclosed within the specific issuer disclosures.

This document may contain information obtained from third parties, including ratings from credit ratings agencies such as Standard & Poor's. Reproduction and distribution of third party content in any form is prohibited except with the prior written permission of the related third party. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal

fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content, including ratings. Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice.

Any MSCI sourced information in this document is the exclusive property of MSCI Inc. ('MSCI'). Without prior written permission of MSCI, this information and any other MSCI intellectual property may not be reproduced, re-disseminated or used to create any financial products, including any indices. This information is provided on an "as is" basis. The user assumes the entire risk of any use made of this information. MSCI, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind. MSCI and the MSCI indexes are services marks of MSCI and its affiliates.

Investors should consider this document as only a single factor in making their investment decision and, as such, the report should not be viewed as identifying or suggesting all risks, direct or indirect, that may be associated with any investment decision. Nomura Group produces a number of different types of research product including, among others, fundamental analysis, quantitative analysis and short term trading ideas; recommendations contained in one type of research product may differ from recommendations contained in other types of research product, whether as a result of differing time horizons, methodologies or otherwise. Nomura Group publishes research product in a number of different ways including the posting of product on Nomura Group portals and/or distribution directly to clients. Different groups of clients may receive different products and services from the research department depending on their individual requirements.

Figures presented herein may refer to past performance or simulations based on past performance which are not reliable indicators of future performance. Where the information contains an indication of future performance, such forecasts may not be a reliable indicator of future performance. Moreover, simulations are based on models and simplifying assumptions which may oversimplify and not reflect the future distribution of returns.

Certain securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of, or income derived from, the investment.

The securities described herein may not have been registered under the US Securities Act of 1933 (the '1933 Act'), and, in such case, may not be offered or sold in the US or to US persons unless they have been registered under the 1933 Act, or except in compliance with an exemption from the registration requirements of the 1933 Act. Unless governing law permits otherwise, any transaction should be executed via a Nomura entity in your home jurisdiction. This document has been approved for distribution in the UK and European Economic Area as investment research by Nlplc, which is authorized and regulated by the FSA and is a member of the London Stock Exchange. It does not constitute a personal recommendation, as defined by the FSA, or take into account the particular investment objectives, financial situations, or needs of individual investors. It is intended only for investors who are 'eligible counterparties' or 'professional clients' as defined by the FSA, and may not, therefore, be redistributed to retail clients as defined by the FSA. This document has been approved by Nlplc, which is regulated by the Hong Kong Securities and Futures Commission, for distribution in Hong Kong by NIHK. This document has been approved for distribution in Australia by NAL, which is authorized and regulated in Australia by the ASIC. This document has also been approved for distribution in Malaysia by NSM. In Singapore, this document has been distributed by NSL. NSL accepts legal responsibility for the content of this document, where it concerns securities, futures and foreign exchange, issued by their foreign affiliates in respect of recipients who are not accredited, expert or institutional investors as defined by the Securities and Futures Act (Chapter 289). Recipients of this document in Singapore should contact NSL in respect of matters arising from, or in connection with, this document. Unless prohibited by the provisions of Regulation S of the 1933 Act, this material is distributed in the US, by NSI, a US-registered broker-dealer, which accepts responsibility for its contents in accordance with the provisions of Rule 15a-6, under the US Securities Exchange Act of 1934.

This document has not been approved for distribution in the Kingdom of Saudi Arabia ('Saudi Arabia') or to clients other than 'professional clients' in the United Arab Emirates ('UAE') by Nomura Saudi Arabia, Nlplc or any other member of Nomura Group, as the case may be. Neither this document nor any copy thereof may be taken or transmitted or distributed, directly or indirectly, by any person other than those authorised to do so into Saudi Arabia or in the UAE or to any person located in Saudi Arabia or to clients other than 'professional clients' in the UAE. By accepting to receive this document, you represent that you are not located in Saudi Arabia or that you are a 'professional client' in the UAE and agree to comply with these restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of Saudi Arabia or the UAE.

No part of this material may be (i) copied, photocopied, or duplicated in any form, by any means; or (ii) redistributed without the prior written consent of a member of Nomura Group. Further information on any of the securities mentioned herein may be obtained upon request. If this document has been distributed by electronic transmission, such as e-mail, then such transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this document, which may arise as a result of electronic transmission. If verification is required, please request a hard-copy version.

Nomura Group manages conflicts with respect to the production of research through its compliance policies and procedures (including, but not limited to, Conflicts of Interest, Chinese Wall and Confidentiality policies) as well as through the maintenance of Chinese walls and employee training.

Additional information is available upon request. Disclosure information is available at the Nomura Disclosure web page:

<http://go.nomuranow.com/research/globalresearchportal/pages/disclosures/disclosures.aspx>

---

**Nomura Financial Advisory and Securities (India) Private Limited, India**

Tel: +91 22 4037 4037

Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Road,  
Worli, Mumbai- 400 018, India

Fax: +91 22 4037 4111

*Caring for the environment: to receive only the electronic versions of our research, please contact your sales representative.*