

Q4FY07 result

Reliance Industries Limited

BUY

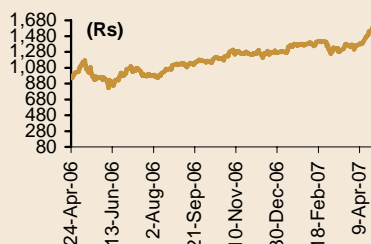
Bloomberg: RIL IN
Reuters: RELI.NS
Mkt cap: INR 2,225.1bn/USD 54.4bn

Current price: INR 1,597*
Target price: INR 1,692**
Positive surprise

Expect upsides from upstream in medium term

** Revised from INR 1,504. Horizon: March 2008

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Stock performance


(%)	Absolute	Relative to	
		Sensex	Sector
3 months	16.7	15.7	0.2
6 months	33.7	18.6	1.1
12 months	60.2	33.3	1.3

Key financials

Y/E 31 March	FY07E	FY08E	FY09E
Net sales (INR m)	1,174,885	1,081,873	999,956
Net profit (INR m)	123,451	112,869	111,534
Adj EPS (INR)	84.9	77.7	70.9
PER (x)	18.8	20.6	22.5
PCE (x)	13.7	14.1	15.2
EV/Core			
EBITDA (x)	11.9	12.6	12.2
Price/Book (x)	8.0	6.0	4.0
ROE (%)	54.0	33.2	21.8
ROCE (%)	30.7	21.7	17.9
Consensus EPS (INR) *	79.6	78.3	

* Bloomberg

Reliance Industries Limited's (RIL) Q4FY07 PAT at INR 28.5bn was 8% higher than our estimate of INR 26.3bn. The positive surprise came from gross refining margin (GRM), which at USD 13.0 per bbl was ahead of our assumption of USD 11.2 per bbl. The spread between RIL's reported GRM and Asian GRM was USD 6 per bbl as compared to USD 6.9 per bbl in Q4FY07. RIL has also booked about half of the accumulated benefits of INR 10bn under the target-plus scheme in FY07.

We revise our FY08 EPS estimate from INR 78.9 to INR 77.7, and FY09 EPS estimate from INR 78.2 to INR 70.9. The revision is to account for IPCL's merger, issuance of 120m warrants to promoters, and revision in petrochem and refining margins forecast.

We revise RIL's end FY08 price target from INR 1,504 to INR 1,692 due to the increase in base business and Reliance Petroleum Limited's (RPL) value. We revise the EV/EBITDA multiple for refining and petrochemicals business from 5.5 to 6.5, in line with the median EV/EBITDA for global peers and to account for lower tax rates. We also revise RPL's end FY08 value to INR 80 per share from INR 55 per share. The value of RIL's investment in RPL increased from INR 153 per share to INR 214 per share. We maintain BUY.

Figure 1: Quarterly results

	(INR m)					
	Q4FY06	Q1FY07	Q2FY07	Q3FY07	Q4FY07	Q4FY07E
Net sales	245,420	245,220	284,740	264,720	258,950	253,570
% change YoY	37.6	37.9	37.4	45.7	5.5	0.0
Operating profit	40,460	42,370	45,650	47,090	46,990	44,021
% change YoY	14.1	18.8	23.0	58.2	16.1	0.0
Other income	870	440	220	420	850	300
Interest	2,250	2,660	2,780	2,930	2,770	2,750
Depreciation	9,820	9,070	10,180	10,620	10,220	11,732
PBT	29,260	31,080	32,910	33,960	34,850	29,839
Tax rate (%)	14	18	18	18	18	0
Tax	4,240	5,610	5,820	5,970	6,320	3,512
Net profit	25,020	25,470	27,090	27,990	28,530	26,327
% change YoY	9	10	9	58	14	0

Source: Brics Research

Positive surprise in GRM

RIL's refining PBIT for Q4FY07 came in at INR 22.8bn, ahead of our estimate of INR 17.9bn. The company reported crude throughput of 8.1MT and GRM of USD 13.0 per bbl. The spread between RIL's reported GRM and Asian GRM in Q4FY07 was USD 6 per bbl as compared to USD 6.9 per bbl in the previous quarter. The spread between reported GRM and Asian GRM was USD 1.8 per bbl higher than our assumption of a spread of USD 4.2 per bbl

PBIT of the petrochemicals business was at INR 11.4bn, in line with our estimate of INR 10.9bn.

Figure 2: Refinery – performance snapshot

	Q4FY06	Q1FY07	Q2FY07	Q3FY07	Q4FY07
RIL's reported GRM (USD/bbl)	10.3*	12.4	9.1	11.7	13.0
Asian Complex GRM (USD/bbl)	6.2	9.7	6.3	4.8	7.0
Spread (RIL – Asian)	4.1	2.8	2.8	6.9	6.0
Crude processed (MT)	7.90	7.51	8.2	7.9	8.1
Exports (MT)	3.2	3.5	5.3	4.7	4.2
RIL's refining PBIT (INR m)	17,410	20,350	14,890	19,250	22,770

* Net of discounts to PSUs and under-recoveries on domestic MS and HSD sales

Source: Brics Research, RIL

Figure 3: Q4FY07 PBIT – estimates and actual performance

	Expectation	Actual
Petrochemicals	10,877	11,370
Refining	17,913	22,770
Others	3,500	3,220
Total	32,289	37,360

Source: Company, Brics Research

Net profit 8% higher than our estimate

RIL's Q4FY07 PAT at INR 28.5bn was 8% higher than our estimate of INR 26.3bn. The positive surprise came from GRM, which at USD 13.0 per bbl was ahead of our assumption of USD 11.2 per bbl. RIL also booked about half of the accumulated benefits of INR 10bn under the target-plus scheme in FY07.

Figure 4: Variance from our estimates

	Q4FY07		Difference
	Actual	Estimates	
Net sales	258,950	252,570	6,380
Raw material cost	184,530	184,669	(139)
Gross margin	74,420	67,900	6,520
Staff cost	3,090	2,900	190
Other expenditure	24,340	21,980	2,360
Total expenditure	211,960	209,549	2,411
Core EBITDA	46,990	43,020	3,970
Other income	850	300	550
Interest	2,770	2,750	20
Depreciation	10,220	10,731	(511)
PBT	34,850	29,839	5,011
Tax	6,320	3,512	2,808
Reported PAT	28,530	26,327	2,203

Source: Company, Brics Research

Revision in FY08 and FY09 earning estimates

We revise our FY08 EPS estimate from INR 78.9 to INR 77.7, and FY09 EPS estimate from INR 78.2 to INR 70.9. The revision is to account for IPCL's merger, issuance of 120m warrants to promoters, and revision in petrochem and refining margins forecast. We also introduce our FY10 estimates to account for the earnings from the KG D6 gas and oil, CBM Gas and RPL refinery.

Downward revision in petrochem margins...

We revise downwards our margin forecasts for polymers and intermediates for FY08 and FY09 in line with the revision by CMAI. The FY08 CMAI projections for cracker margin are down 10% to USD 400 per tonne compared to our built in estimate of USD 440 per tonne. FY08 forecast for PE spread over ethylene was revised to USD144 per tonne from USD 184 per tonne. The FY08 integrated PE margins were revised 13% downwards from USD 623 per tonne to USD 543 per tonne, which were USD 784 per tonne in FY07 and USD 612 per tonne in FY06.

CMAI also revised its FY08 forecast for PP spread over propylene to USD 79 per tonne from USD 121 per tonne, which was USD 75 per tonne in FY07.

MEG spread over ethylene for FY08 was revised marginally upwards. FY08 forecast for PTA spread over PX was revised downwards by 9% to USD 144 per tonne while PX-Naptha spread was revised from USD 329 per tonne to USD 245 per tonne.

Figure 5: Revision in petrochem spreads

(USD/tonne)

	FY07	FY08		FY09	
		Earlier	Revised	Earlier	Revised
Cracker margin	686	440	400	219	266
PE-Ethylene	98	184	144	197	138
PP-Propylene	43	121	79	116	81
PVC-EDC	383	331	305	304	292
MEG-Ethylene	187	220	236	233	220
PTA-PX	101	157	144	156	147
PX-Naptha	352	329	245	266	261
PSF-PTA-MEG	82	103	71	109	69
POY-PTA-MEG	176	250	200	200	150

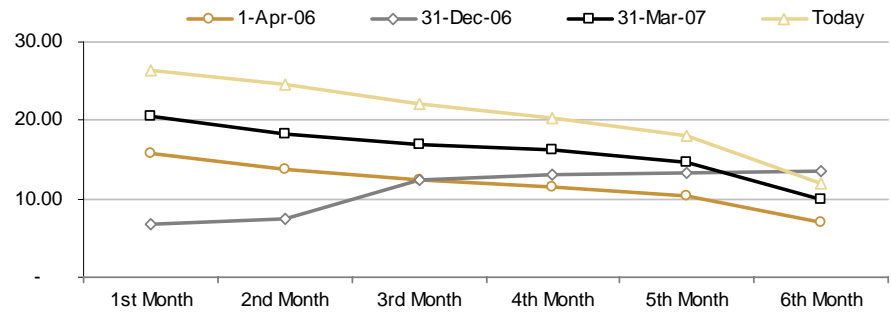
Source: CMAI, Brics Research

... offset by stronger GRMs

Our earlier estimates for FY08 were based on a Singapore GRM of USD 6 per bbl compared to an average of USD 7 per bbl in FY07. FY08 started on a very strong note and MTD average Singapore GRM is USD 8.2 per bbl. Taking into account the strong product crack spread over the next six months, we revise our FY08 assumption for Singapore GRM to USD 6.5 per bbl. We build in a spread of USD 4.8 per bbl over Asian GRM for FY08.

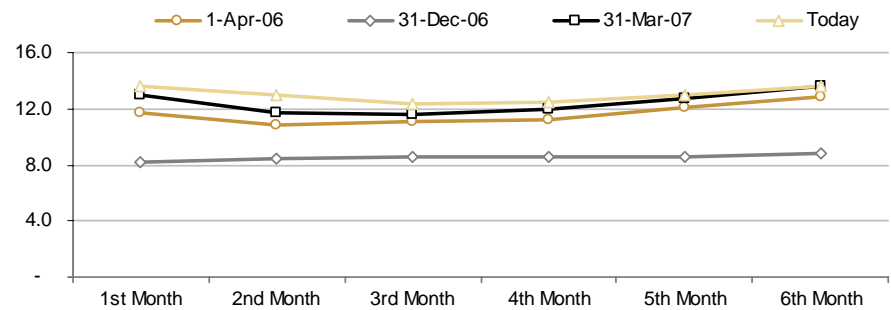
In our view, the next six-month future spreads between the heating oil-WTI Cushing crude oil and gasoline-WTI Cushing crude oil point towards the strong GRM in FY08. The spread between gasoline and crude oil increased sharply in the last one month, and the future spread points towards GRM upwards of USD 7 per bbl in the near term.

Figure 6: Spread between gasoline and crude for six-month futures (USD/bbl)



Source: Brics Research

Figure 7: Spread between heating oil and crude for six-month futures (USD/bbl)



Source: Brics Research

We expect profits to double in FY10

We expect RIL to have a consolidated profit of INR 220bn in FY10. The stand-alone profits are likely to rise from INR 109bn in FY07 to INR170bn in FY10. We assume that KG D6 field will start production in Q2FY09; RPL will be commissioned in Q4FY09; and KG D6 oil and CBM fields will start production in FY10.

Figure 8: Assumptions

	FY06	FY07	FY08	FY09	FY10
Crude oil (mmbbl)	3.4	4.0	4.4	4.9	19.6
Gas (bcm)	0.9	1.0	1.1	10.1	26.7
Crude price (USD/bbl)	60	66	65	55	50
Natural gas price (USD/mmbtu)	4.0	4.8	4.8	4.3	4.3
Refinery Throughput (MT)	30.6	33.0	33.0	33.0	33.0
Sinagpore Complex GRM (USD/bbl)	7.1	6.9	6.5	5.5	3.9
RIL's GRM (USD/bbl)	10.3	11.7	11.3	10.3	9.2
Ethylene cracker margin (USD/tonne)	453	686	400	266	253
PE margin (USD/tonne)	159	98	144	138	131
PVC margin (USD/tonne)	397	383	305	292	277
PP margin (USD/tonne)	75	43	79	81	77
MEG margin (USD/tonne)	344	187	236	220	209
PTA margin (USD/tonne)	192	101	144	147	140
PX margin (USD/tonne)	178	352	245	261	248
PSF margin (USD/tonne)	582	596	514	490	465
POY margin (USD/tonne)	616	690	644	644	612

Source: Brics Research

Figure 9: Profit estimates FY08-FY10

	FY07E	FY08E	FY09E	FY10E
Stand-alone PAT				
RIL	109,080	100,608	102,051	169,965
IPCL	14,371	12,261	9,483	9,167
Total	123,451	112,869	111,534	179,132
No of Shares	1,453	1,453	1,573	1,573
EPS	84.9	77.7	70.9	113.8
Consolidated PAT				
PAT	123,451	112,869	124,269	229,610
EPS	84.9	77.7	79.0	145.9

Source: Brics Research

Valuations

We revise RPL's end FY08 value to INR 80 per share

We had valued RPL at INR 55 per share, based on a mid-cycle GRM assumption of USD 8 per bbl. We revise our GRM assumption to USD 11.5 per bbl for FY09-FY11 and to USD 9 per bbl thereafter due to RIL refinery's consistent spread of USD 5-6 per bbl over Asian GRM and expectations of strong GRM cycle. We revise RPL's end FY08 value to INR 80 per share from INR 55 per share. The valuation implies EV/EBITDA multiple of 5.5x on FY10 earnings, discounted back to FY08. This will increase the value of RIL's investment in RPL by INR 61 to INR 214.

We revise base business EV/EBITDA multiples in line with global peers

We had valued RIL's refining and petrochemicals business at FY08 EV/EBITDA multiple of 5.5. The median EV/EBITDA multiples for the emerging integrated companies have expanded to 6.0, while the corresponding figure for the Asian chemical companies is 9.9. We revise our EV/EBITDA multiples for refining and petrochemicals from 5.5 to 6.5 due to expansion in multiples for the peer group and long-term visibility on lower tax rates for RIL. RIL's refinery, PP and PX plants in Jamnagar got the EOU status, which exempts export earnings from tax.

We revise end FY08 price target from INR 1,504 to INR 1,692; Maintain BUY

We revise RIL's end FY08 price target from INR 1,504 to INR 1,692 due to the increase in base business and RPL's value. We also revise RPL's value to INR 80 per share from INR 55 per share. The value of RIL's investment in RPL increased from INR 153 per share to INR 214 per share. We revise the EV/EBITDA multiple for refining and petrochemicals business from 5.5 to 6.5, in line with the median EV/EBITDA for global peers and to account for lower tax rates. We maintain **BUY**.

Figure 10: Sum-of-parts valuation of RIL

Business	Value		Details
	INR m	INR/share	
Refining and petrochemical manufacturing assets	1,148,429	915	6.5x FY08 EV/EBITDA
Auto fuel retailing business	50,756		5,000 outlets by FY10; 2x of current 40 industry avg. throughput; INR 50bn capex; INR 1,050/kl margin
KG-D6 gas	326,282		260 DCF at development cost of USD 5.2bn
KG D6 Oil	92,168		73 DCF at development cost of USD 2bn
PMT	72,304		58 EV/boe of USD 10
KG III/6 oil find	48,528		39 DCF at development cost of USD 1.5bn
Upsides from CBM	29,441		23 EV/boe of USD 2 on proven reserves
Upsides from NEC-25 (NEC-OSN-97/2)	18,009		14 EV/boe of USD 2 on proven reserves
Reliance Petroleum	269,081	214	Value of 75% stake in refinery at our DCF value of INR 80/share in End FY08
Total value of RIL	2,054,997	1,637	
Less: Net debt as on 31 March 2008	154,128	123	
Fair value of RIL's core business	1,900,869	1,515	
Organised Retail	194,483	155	
Haryana SEZ	28,545	23	INR 130bn, 60:40 debt:equity and 25% equity IRR
Growth business value	223,027	178	
End FY08 target price	2,123,897	1,692	

Source: Company, Brics Research

Upstream can provide potential upsides...

RIL can have potential upsides from upstream due to reserve upgrade and ramp up of production from 80mmscmd to 120mmscmd for the Dhirubhai1 and Dhirubhai3 fields. RIL can also file field development plans for the other discoveries in the same block. The value accretion from the incremental reserve in KG D6 is a function of the incremental capex. We believe that the value from incremental gas reserves would be lower as compared to the current value of INR 260 per share as most of the production facilities are designed for 120mmscmd and the incremental capex should be about USD 1.5bn.

... and, so can retail as RRL spreads its footprint across India

Reliance Retail Limited (RRL) has set up about 135 stores across 16 cities covering just 0.4msqft. We consider our current value on RRL of INR 155 per share fair, given RIL's history of value creation in its new ventures. We discount the project at 15% cost of equity. In the best case, as cost of equity for the project shifts lower to 13%, the value will rise to INR 352 per share – an increase of INR 197 per share.

Figure 11: RRL - Sensitivity to cost of equity and terminal growth rate (INR/share)

		Terminal growth rate in FCFE				
		(%)	6	7	8	9
Cost of equity	11	205	279	402	649	1,388
	12	145	191	261	376	608
	13	104	135	178	243	352
	14	74	96	125	166	228
	15	52	68	89	116	155

Source: Brics Research

Annexure

Figure 11: Peer group valuations - emerging integrated

	5YR AVG Return On Equity	EV to T12m EBITDA	Trailing PE (CY06/FY07)	Current PE CY07/FY08	Forward PE (CY08/FY09)	EV/EBITDA (CY07/FY08)	EV/EBITDA (CY08/FY09)
CNOOC	31.2	6.1	9.2	10.8	10.0	6.0	5.6
Petrochina	21.4	5.5	10.4	10.8	10.8	5.8	5.8
Sinopec	17.0	6.9	10.9	10.4	10.1	8.4	7.9
Petrobras	32.6	5.2	8.0	7.6	4.8	4.2	4.1
ONGC	27.4	6.4	12.8	10.0	9.6	5.1	4.8
CNPC	21.6	4.3	9.9	6.9	6.9	5.3	5.1
SK Corp	3.2	3.2	7.8	8.9	9.5	9.3	9.1
S-Oil	20.4	5.3	8.8	7.7	8.2	6.2	6.3
RIL	17.0	8.1	22.1	18.7	19.1	12.7	12.1
IOC	25.7	10.1	9.6	10.1	8.7	7.9	6.8
PTT	39.9	5.5	6.2	7.1	6.8	5.3	4.8
Median	21.6	5.5	9.6	10.0	9.5	6.0	5.8

Source: Bloomberg

Figure 12: Asian Chemicals peer group valuations

	5YR AVG Return On Equity	EV to T12m EBITDA	Trailing PE (CY06/FY07)	Current PE CY07/FY08	Forward PE (CY08/FY09)	EV/EBITDA (CY07/FY08)	EV/EBITDA (CY08/FY09)
Sinopec Shanghai Petrochemical	10.2	19.2	101.8	264.7	26.4	19.0	13.9
Cheil Industries	11.3	6.1	11.9	10.6	8.5	7.4	5.6
Hanwha Chemical Corporation	8.3	4.4	4.8	7.5	6.3	9.8	8.1
LG Chemical	NA.	4.2	9.7	12.3	11.0	NA	NA
LG Petrochemical	23.6	2.5	6.9	5.6	6.9	3.1	3.7
Formosa Chemical and Fibre	18.9	13.9	8.8	14.5	14.3	13.7	13.0
Formosa Plastics	17.4	12.8	11.8	NA	NA	14.1	14.8
Nan Ya Plastics	15.3	12.2	11.9	NA	NA	NA	NA
Formosa Petrochemicals	21.0	10.8	14.9	NA	NA	9.9	10.8
IPCL	16.7	3.5	7.4	7.4	7.3	5.1	5.0
Median	16.7	8.5	10.7	10.6	8.5	9.9	8.1

Source: Bloomberg

Income statement		INR m				
Year ending 31 March	FY05	FY06	FY07E	FY08E	FY09E	
Net sales	660,513	812,113	1,174,885	1,081,873	999,956	
Growth (%)	27.5	23.0	44.7	(7.9)	(7.6)	
Operating expenses	(532,403)	(669,122)	(967,566)	(885,094)	(796,835)	
Core EBITDA	128,110	142,991	207,319	196,779	203,121	
Other income	14,498	6,829	5,326	5,311	7,870	
EBITDA	142,608	149,820	212,645	202,090	210,991	
Depreciation	(37,235)	(34,009)	(45,498)	(51,193)	(53,679)	
EBIT	105,373	115,811	167,148	150,897	157,312	
Interest paid	(14,687)	(8,770)	(12,684)	(9,929)	(18,775)	
Pre-tax profit	90,687	107,041	154,463	140,967	138,537	
Tax (current + deferred)	(14,970)	(16,347)	(31,012)	(28,099)	(19,041)	
Profit after tax	75,717	90,693	123,451	112,869	111,534	
Net profit	75,717	90,693	123,451	112,869	111,534	
Adjusted net profit	75,717	90,693	123,451	112,869	111,534	
Growth (%)	46.7	19.8	36.1	(8.6)	(1.2)	

Balance sheet		INR m				
Year ending 31 March	FY05	FY06	FY07E	FY08E	FY09E	
Current assets	284,525	245,745	360,137	310,437	296,620	
Investments	170,515	58,462	86,579	69,709	135,114	
Fixed assets	243,426	294,375	403,688	560,157	743,792	
Total assets	698,466	598,582	850,404	940,304	1,175,525	
Current liabilities	151,933	150,731	210,793	191,653	167,454	
Total debt	187,846	218,656	269,520	269,520	269,520	
Other liabilities	62,050	63,522	78,880	90,829	102,891	
Total liabilities	401,829	432,909	559,194	552,002	539,865	
Paid-up capital	13,931	13,932	14,535	14,535	15,735	
Reserves & surplus	282,706	151,741	276,676	373,767	619,925	
Shareholders' funds	296,637	165,673	291,211	388,301	635,660	
Total equity & liabilities	698,466	598,582	850,404	940,304	1,175,525	

Cashflow		INR m				
Year ending 31 March	FY05	FY06	FY07E	FY08E	FY09E	
Pre-tax profit	90,687	107,041	154,463	140,967	138,537	
Depreciation	37,235	34,009	45,498	51,193	53,679	
Tax paid	(245)	(7,277)	(22,502)	(20,250)	(19,041)	
Chg in working capital	7,707	11,382	(37,938)	19,951	(6,095)	
Cashflow from operations (a)	135,383	145,154	139,521	191,862	167,080	
Capital expenditure	(30,954)	(94,755)	(154,811)	(207,662)	(237,313)	
Chg in investments	(30,801)	112,053	(28,118)	16,870	(65,404)	
Cashflow from investing (b)	(61,755)	17,298	(182,928)	(190,792)	(302,718)	
Free cash flow (a+b)	73,629	162,452	(43,407)	1,070	(135,638)	
Equity raised/(repaid)	(3,602)	2	17,427	0	151,416	
Debt raised/(repaid)	(21,601)	30,810	50,864	0	0	
Dividend (incl. tax)	(8,289)	(11,917)	(15,890)	(15,340)	(15,778)	
Other financing activities	(6,292)	(1,551)	0	0	0	
Cashflow from financing (c)	(39,784)	17,345	52,401	(15,340)	135,638	
Net chg in cash (a+b+c)	33,845	179,797	8,994	(14,270)	0	

Key ratios

Year ending 31 March	FY05	FY06	FY07E	FY08E	FY09E
Adjusted EPS (INR)	54.4	65.1	84.9	77.7	70.9
Adjusted EPS growth (%)	47.0	19.8	30.5	(8.6)	(8.7)
Core EBITDA growth (%)	30.1	11.6	45.0	(5.1)	3.2
Core EBITDA margin (%)	19.4	17.6	17.6	18.2	20.3
Pre-tax margin (%)	13.7	13.2	13.1	13.0	13.9
ROE (%)	28.4	39.2	54.0	33.2	21.8
ROCE (%)	20.5	23.3	30.7	21.7	17.9
Net debt/Equity (%)	51.2	119.0	82.1	65.2	39.9

Valuation parameters

Year ending 31 March	FY05	FY06	FY07E	FY08E	FY09E
PER (x)	29.4	24.5	18.8	20.6	22.5
PCE (x)	19.7	17.8	13.7	14.1	15.2
Price/Book (x)	7.5	13.4	8.0	6.0	4.0
Yield (%)	0.5	0.6	0.7	0.6	0.6
EV/Net sales (x)	3.6	3.0	2.1	2.3	2.5
EV/Core EBITDA (x)	18.6	16.9	11.9	12.6	12.2

Reliance Industries: Recommendation history

Date	Stock price (INR)	Recommendation	Price target (INR)	Report
30-Jul-04	475	BUY	606	Q1FY05 Result Note
21-Sep-04	507	BUY	580	Cyclical upswing
25-Oct-04	536	BUY	580	Strong cycle in all businesses
10-Nov-04	544	BUY	623	The challenger- Expect a re-rating when visibility emerges on the next growth driver
23-Nov-04	533	BUY	623	Family matters
21-Dec-04	486	BUY	623	Buyback could cushion stock
3-Mar-05	558	BUY	697	Dark clouds clearing- Retail oil marketing to drive earnings growth
27-Apr-05	537	BUY	697	Q4FY05 result: Profits up 51% YoY, stock up 0% YoY
6-Jun-05	555	BUY	693	Expect value discovery from a clean split
29-Jun-05	629	BUY	693	RIL's preference shares in Infocomm converted to equity - Conversion is at fair valuations
29-Jul-05	703	BUY	716	Q1FY06 Result: Positive surprise due to non-operating factors - We raise price target to factor in lower net debt
4-Aug-05	714	BUY	788	De-merger to unlock value of investments - We raise price target from INR716 to INR788
30-Aug-05	700	BUY	788	RIL reported to be keen on acquiring Innovene - Financially well-placed to raise fresh loans for an acquisition
26-Sep-05	748	BUY	953	Barrelful of value - We raise price target to INR953, move it ahead to end-FY07
27-Oct-05	751	BUY	953	Q2FY06 result: Positive surprise in petrochemicals
5-Dec-05	839	BUY	953	Valuing RIL post-demergers - Our valuation factors in most of the upsides; we maintain price target
21-Dec-05	855	BUY	953	RIL sued to enforce gas agreement - Strikes oil in KG basin
26-Dec-05	842	BUY	953	Reliance Demerger - the details
11-Jan-06	894	BUY	953	Q3FY06 result: Refinery shutdown hits Q3 bottomline - New project to double refining capacity started
27-Mar-06	777	BUY	868	Initiating coverage on demerged RIL: The next big thing - Expect quantum jump in earnings in FY09
13-Apr-06	829	BUY	868	Chevron to buy 5% in RPL at INR60/share
28-Apr-06	997	BUY	868	Q4FY06 result: Strong positive surprise
4-May-06	1035	BUY	868	Reliance submits proposal for setting up CGD in 8 cities
24-May-06	939	BUY	868	Surge in crude prices: No impact on Q1FY07 earnings - Price hike, strong refinery margins neutralise effect of rise in crude prices
9-Jun-06	825	BUY	868	Package play - Integrated package and price correction make stocks attractive; ONGC fleeced again
29-Jun-06	1001	BUY	868	Counting chickens before they hatch - It would be premature to factor in upsides from raised estimate of D6 reserves
20-Jul-06	996	BUY	1237	Q1FY07 result (Revision of price target): Operating performance surpasses expectations - We raise price target to factor in much bigger opportunities
28-Jul-06	1000	BUY	1237	Off the shelf, into the ring - Organised retailing is a huge value creator
14-Aug-06	1011	BUY	1237	Q2FY07 profits could be hit by decline in GRMs - Accumulated export incentives could save the day
31-Aug-06	1129	BUY	1237	State-owned oil companies: Some relief at last - But we see no upside beyond our DCF-based price targets
18-Sep-06	1141	BUY	1237	Earnings Risk due to lower GRM's - Expect weakness in GRM's in H2FY07
21-Sep-06	1127	BUY	1237	Reliance strikes oil in Saurashtra - Wait for further details before ascribing any value
20-Oct-06	1196	BUY	1237	Q2FY07 result: Positive surprise in petrochem margins
2-Nov-06	1264	BUY	1364	Upsides in KG-D6 translate to higher value -We raise price target
7-Dec-06	1301	BUY	1364	KG upsides a function of capex - Visibility on retail will drive stock price
18-Jan-07	1367	BUY	1448	Q3FY07 result: Surprised by GRMs
25-Jan-07	1369	BUY	1448	What's behind RIL's GRM surprise?
12-Feb-07	1356	BUY	1504	DGH declares KG-D6 oil commercial - We raise our End FY08 price target: Maintain Buy
27-Apr-07	1597	BUY	1692	Q4FY07 result: Positive surprise: Expect upsides from upstream in medium term

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