Private Equity Investing in India

A survey of Private Equity investors and their portfolio companies

KPMG IN INDIA

AUDIT ▪ TAX ▪ ADVISORY

This is an exciting time to be involved in Private Equity (PE) in India. Large Global PE investors are either setting up India-dedicated funds or increasing allocations for Indian investments in their global portfolios. Fund sizes have increased dramatically from USD 25 to USD 100 million just a few years ago, to between USD 400 million and USD 1 billion. Average deal sizes have also increased to about USD 50 million in 2007, while the average deal size was USD 8 million in 2002.

Starting from a meagre five deals and a total investment of USD 20 million in 1996, in 2007, USD 17.13 billion was invested across 339 deals[1], making India one of the top seven PE investment destinations in the world. According to a recent study[2], there are over 366 PE firms currently operating in India and another 69 have raised or are in the process of raising funds, cumulatively offering a corpus of USD 48 billion for investments in India from July 2007 through December 2010.

The strong economic interest in India has resulted in a bullish stock market which has facilitated successful PE exits but has increased valuation expectations. Today, there is a healthy mix of auction-based and proprietary-based transactions in India. Most PE houses are sector agnostic although to differentiate in an increasingly crowding market place, few sector focussed PE houses are now establishing themselves in the country. Transactions are witnessed across a wide range of sectors from pharmaceutical, automotive, engineering and construction and real estate to financial services, media, telecom, insurance, information technology and BPO. As the strong global interest in India continues and competition for deals increases, the challenges will be to differentiate, source good proprietary deals, and most importantly to nurture portfolio investments.

The global credit squeeze — partially triggered by the U.S. sub prime mortgage crisis — has adversely affected global PE's access to debt. In India, PE houses cannot leverage their domestic transactions due to regulatory restrictions. Accordingly, it is expected that the U.S. credit squeeze is unlikely to have any significant impact on PE transactions in India.

---

[1] Source: AVCJ.com; January 7 2008; Volume 21 Number 1

[2] 'An Indispensable Guide to Equity Investment in India' by Evalueserve, 21 September 2007

In late 2007, KPMG commissioned a research titled "Private Equity: Implications for Economic Growth in Asia Pacific" to study the impact of PE in the Asia-Pacific region. Our research found that PE houses felt restricted in India by the predominance of family-owned businesses, lack of large buyout opportunities and restrictions on the financial leverage that buyers can use. Despite this though, 63 percent of the 119 PE firms we spoke to said they would be targeting India in the next five years as against only 37 percent having investments in India currently.

As India's economy continues to accelerate, and the PE opportunity grows, we have commissioned some further in-depth PE research into the Indian market. Our approach to this research is both specific and thorough, as we wanted to look at the experience and future expectations of both, PE houses and their portfolio companies.

I am delighted that so many of our colleagues in PE houses and their portfolio companies took part in this survey, and I hope you find these insights as interesting as we did.

Vikram Utamsingh
Head of Private Equity
KPMG in India

The Global Private Equity marketplace

The international PE landscape has developed significantly in recent years. Until the recent credit squeeze, deal sizes were ever increasing, the market was highly competitive, high premiums were being paid, and many trade buyers were often losing out to PE houses. These conditions were prevalent throughout the more established PE economies of Europe and the United States. However, today the landscape in these markets is changing swiftly, and the issues we face today are likely to change significantly, a short time later. The PE industry is nothing if not a rapidly changing world.

Despite these changes and uncertainty, one area that has continued to be of interest for PE is emerging markets. If we look back at 2002, the amount of funds raised for PE outside of U.K. and U.S. was less than 10 percent. In 2006, the money raised for PE to be spent outside of the U.S. and U.K. was over 30 percent of the total. In the main, this money is moving east into Asia-Pacific. But it would be wrong to assume that it is just China that is attracting interest, as there are opportunities across the whole region. Australia, India, Japan, Vietnam and Taiwan are all attractive markets for PE, and will be for some time. It is also likely that we will also see PE make more significant moves in Latin America and Africa.

The emerging PE market in India is one of the most interesting PE stories. The Indian PE market is attractive for many reasons. Firstly, because of its entrepreneurial status, secondly, the associated ease and benefits of an English speaking culture, thirdly, an investment base that truly understands the multiple opportunities for PE, and finally a developing infrastructure with strong underlying economic growth. These opportunities are further compounded when we consider the tougher market conditions that we are seeing elsewhere in more traditional PE territories. The future for a prosperous PE market in India is very bright indeed.

Oliver Tant
Global Head of Private Equity,
KPMG in the U.K.

Table of Contents

The Global Private Equity marketplace

Executive Summary

The market and the opportunity

Sourcing investments

Deal execution and working with portfolio companies

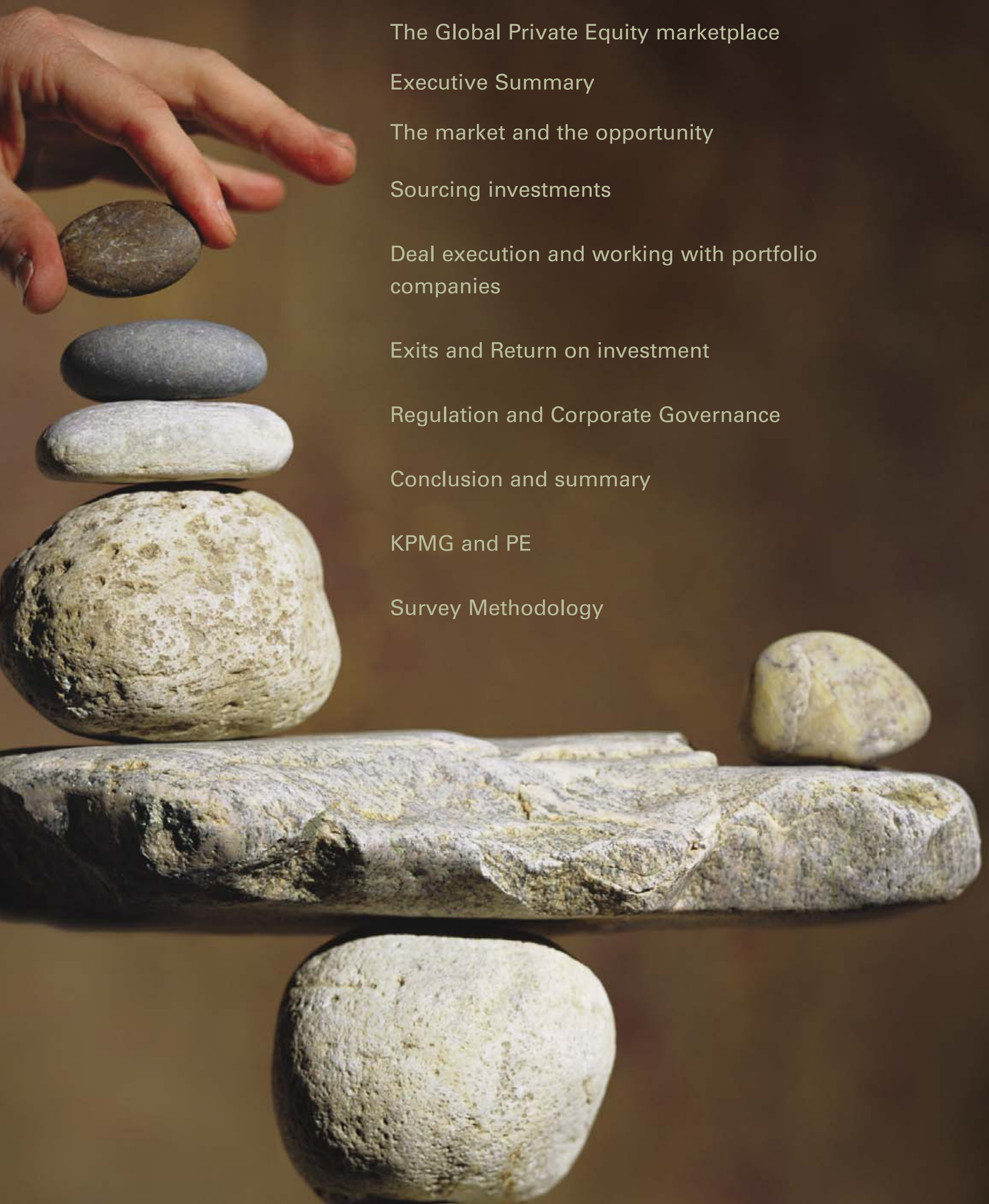
Exits and Return on investment

Regulation and Corporate Governance

Conclusion and summary

KPMG and PE

Survey Methodology



Executive Summary

The market and the opportunity

Despite the overall positive growth story and economy in India, our research suggests:

- The main barriers to entry for PE in India are complex regulatory issues and increasing number of PE players looking at the same investment opportunities
- Although poor infrastructure will hold back the rate of growth of PE investment, the infrastructure sector should emerge as a major PE destination
- Capital is available in abundance and PE players need to distinguish themselves to win deals
- Key sectors for investment in the future are Infrastructure, and Retail and Consumer related
- India is closing in to challenge China as an equally attractive PE destination

Sourcing investments

For PE managers:

- Despite the fact that a majority of deals are being sourced by investment banks (51 percent), self generated deals now account for 25 percent of completed transactions
- The hit rate for funds is at 2 percent of deals reaching completion

For portfolio companies;

- The most important factor (after valuation) for management when choosing an investor is the relationship with individual fund managers (41 percent)
- 25 percent of portfolio companies only negotiated with one fund before closing. But the landscape is now changing with a higher proportion of auction-based transactions

Deal execution and working with portfolio companies

For PE managers:

- The single largest issue post investment is management's digression from the agreed plans
- Despite taking minority stakes in deals, 83 percent of managers requested a seat on the Board, with 75 percent being achieved

For portfolio companies:

- The single largest concern for portfolio companies is that PE funds may not be invested long enough in the business and the impact that exit may have on their business
- Plain vanilla funding is not the single driver for PE investment. The main drivers for portfolio companies in choosing a PE investor is support with Corporate Governance and enhancement of market reputation and perception
- 50 percent of the respondents thought that the PE involvement was just appropriate, while 30 percent felt it was significant, and only 20 percent thought it was inadequate

Exits and Return on investment

- Initial Public Offering (IPO) was the preferred exit strategy for more than 50 percent of the investors
- 55 percent of the respondents expected to achieve at least their benchmark returns with 45 percent respondents expecting a much higher return on their existing portfolio
- Majority of the respondents felt that Indian businesses are over-valued with 72 percent of respondents believing that the average return for PE is expected to decrease in the future

.

The market and the opportunity

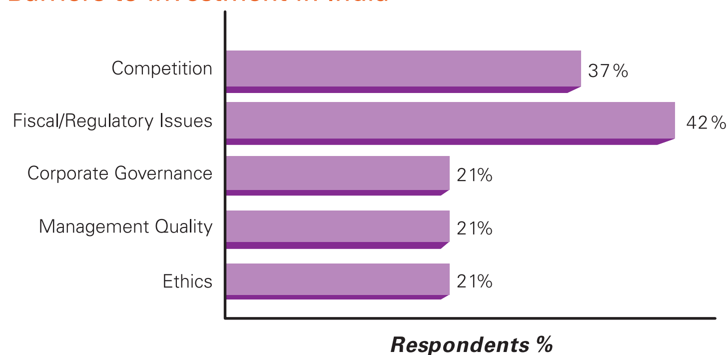
Poor infrastructure in India will hold the rate of PE investment back

Poor infrastructure makes Indian companies less competitive as compared to their global counterparts. While India has a currently high GDP growth rate and is expected to grow at around 9 percent per annum, the lack of infrastructure development may hamper the ability of Indian companies to continue to grow at a furious pace and manage their costs efficiently. This in turn, may make them less attractive for PE in the medium to long term. However, the infrastructure sector could emerge as a major PE destination as the Indian Government continues to encourage private participation in this sector.

The main barriers to entry for PE in India are complex regulatory issues and increasing number of PE players looking at the same investment opportunities

Given the growth in India it is not surprising that more PE houses will want to set up a presence here. Our research suggests that PE perceives that there are two main problems which will be encountered in the future; firstly the complex regulatory issues surrounding sector investment and taxation; and secondly a 'swamping' of too many PE houses chasing the same deals – a situation that is now common in more developed PE markets.

Barriers to investment in India



Our regulation section on Page 16 discusses the regulatory issues. It is interesting that PE considers taxation as a complex regulatory issue due to ambiguities in the interpretation of the tax code, as well as the regulatory costs of creating tax-efficient structures through favorable tax jurisdictions such as Mauritius, due to the complexities involved. Though it could be argued that setting up in India and exiting investments in India is easier as compared to other PE emerging economies.

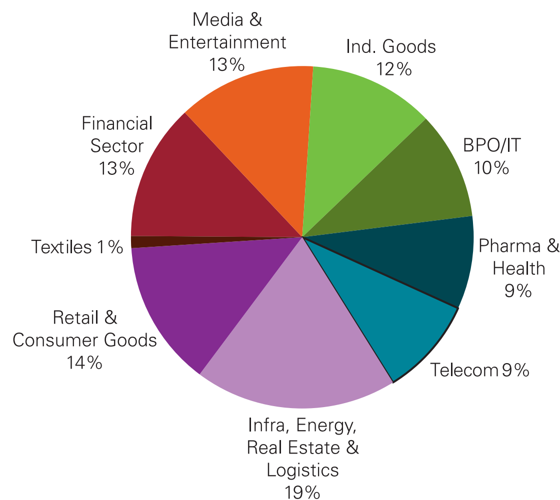
As one of the respondents said, *"None of these barriers seem specific to India. You can find these barriers anywhere in the world."*

On the point of too many PE houses chasing few good deals, capital is not in short supply and there are today several other fund raising options available to owner managed businesses that are looking for growth capital investment. Further, a large number of corporates and large conglomerate Indian business groups are still sceptical of the role that PE can play. This latter situation needs to change as it is likely that those corporates who have a global business strategy will need to link up with PE in order to execute their global expansion aspirations.

Key sectors for investment in the future are Infrastructure and Retail and Consumer related

While investments have been broad based across a wide range of industries, the Infrastructure sector was named as the highest priority sector, which includes Energy, Real Estate and Logistics. This corresponds well to the fact that the current poor infrastructure is cited by our respondents as a concern.

High Priority Sectors for PE investment



Retail and Consumer goods was the second priority sector - not surprising given the growth in disposable income and increasing spending power, followed by Media and Entertainment, and Financial services.

Industrial goods, especially those serving infrastructure sectors like power and ports, and BPO/IT continue to remain a high priority.

Though many of the houses we spoke to were opportunistic - or sector agnostic – and invested in any industry sector – there was consensus about the sectors that are likely to be key in the future. As one investor said, *"there is no sector that will not attract investment."*

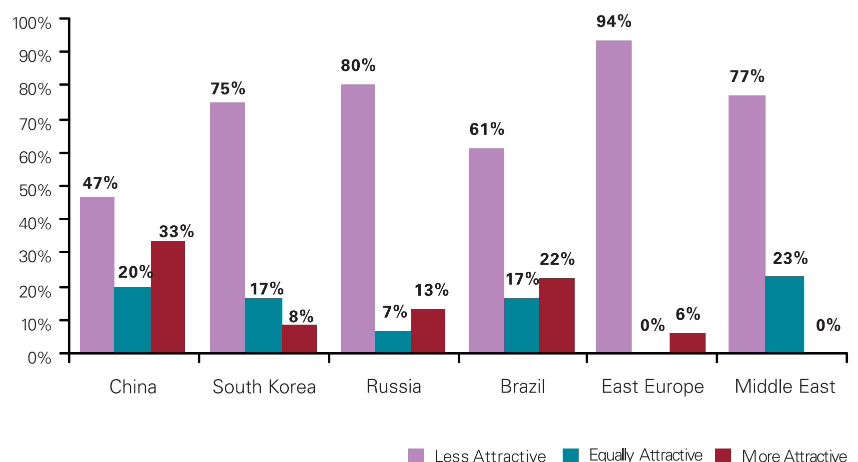
India is closing in on China as an equally attractive PE destination

An overwhelming 94 percent of the 119 PE fund managers interviewed in our Asia-Pacific PE Survey conducted in late 2007, stated that the economic growth of the region is the key factor that makes the region, compelling for investment. Additionally, to diversify risk, 66 percent of the respondents said that the next fund they would raise would be a pan-Asia fund rather than a country-specific fund.

The same survey indicated that while 60 percent of the funds had already invested in China, only 37 percent invested in India. However, while 74 percent of the respondents still chose China as the prime target, 63 percent said they would be targeting India in the next five years.

Similar findings were corroborated in our recent India PE survey findings. 53 percent of the respondents thought China was equally or more attractive than India.

India vs other emerging market economies



[1] Food and Drug Control Administration (FDCA)

In 2007 more PE investments were made in India as compared to China in terms of value, raising the question of whether or not, India will emerge as an equally if not more attractive destination for PE. In total during this period, PE investments in India amounted to USD 17.13 billion across 339 deals as compared to China of USD 11.53 billion across 416 deals. The table below shows actual PE investments in India and China in 2006 and 2007.

	India[3]			**China[3]**		
	Investment	**Transactions**	**Av deal size**	**Investment**	**Transactions**	**Av deal size**
	USD million	**#**	**USD million**	**USD million**	**#**	**USD million**
2006	6800	255	26.7	6925	263	26.3
2007	17129	339	50.5	11525	416	27.7
Percent Growth	152%	33%	89%	66%	58%	5%

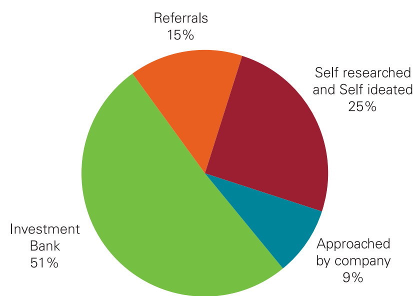
According to a recent study[4] there are over 366 PE firms currently operating in India and another 69 have raised or are in the process of raising funds, cumulatively offering a corpus of USD 48 billion for investments in India from July 2007 through December 2010.

[3] Source: AVCJ.com; January 7 2008; Volume 21 Number 1
[4] 'An Indispensable Guide to Equity Investment in India' by Evalueserve, 21 September 2007

Sourcing investments

Despite the majority of deals reviewed by PE houses being sourced by investment banks (51 percent), self-generated deals now account for 25 percent of completed transactions.

Sources of deals

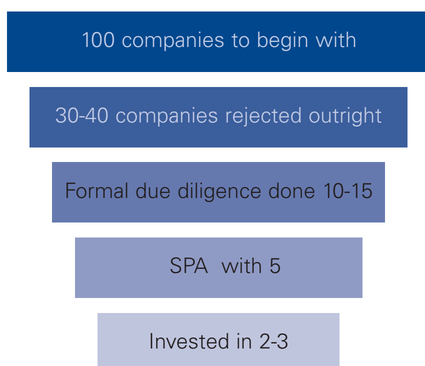


The remaining quarter of deals were referrals or direct approaches by sellers and some respondents felt that as their networks developed, they would increasingly be seeking a proprietary deal flow in order to maintain their return expectations.

Ability to source proprietary deals will assume increasing importance in the face of increasing competition. The Indian business environment is driven by relationships and the level of comfort that a senior PE individual can bring to the owner of a target business that is seeking funds, can go a long way in successfully consummating a deal. Therefore, for new PE houses looking to set up shop in India, seeking and hiring the right country head, becomes important and so does the need to have local teams "on the ground".

The average hit rate for funds shows 2 percent of deals reaching completion

Fig 1: Funnel of investment

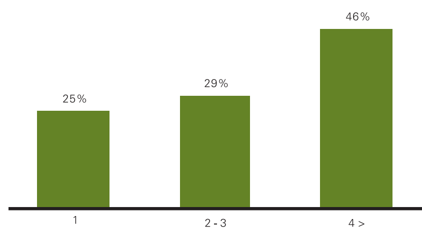


The low hit rate of deals reaching completion is an indication of some of the challenges faced by PE funds in India in closing deals. Deals are rejected outright as they do not meet the basic criteria of PE deals in terms of size of the deal, or poor management team or poor financial/regulatory reporting. Secondly, some private companies may suffer from poor corporate governance standards, and thirdly, in line with the market view, valuations may be over-stretched, which may make investment unlikely. As one of the investors said, "You have a broad set of parameters that says that you will not invest in this company beyond this valuation. But when you sit across and do the final discussion, there can be a bit of plus and minus."

If PE houses are seeing too many deals of poor quality, they would need to think about how they position themselves and market themselves in the industry. Do they have a clear sector approach? Would they want to narrow their deal size? Are they clear about the types of deals they want to see, or too open to approaches from too many poor sources? Many PE houses in India are currently 'sector agnostic'. If PE houses want to increase their hit rate, many of these factors will have to change.

25 percent of portfolio companies only negotiated with one fund before closing

Number of funds negotiated with by Portfolio Companies

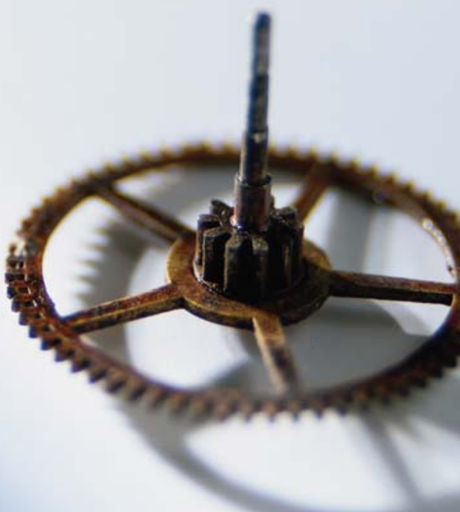


PE houses prefer a proprietary deal flow. Currently, a quarter of our sample of portfolio companies- negotiated with only one PE house when considering fund raising. But with increasing competition and rising valuation expectations, this percentage could decrease in the future.

The survey findings reflect the current scenario of too much money chasing few good deals. As the CEO of a portfolio company says, *"It's a funny world; either you are hot and everyone [PE] wants to be part of it, and if you are not you don't get any money. It is really a 0 or 1 kind of a thing".*

Keeping aside valuation, the most important factor for owners when choosing an investor is the chemistry /relationship with individual fund managers (41 percent)

The ability to get along long term- is seen as the most important factor after valuation. Most owners of Indian companies are used to running their businesses on their own and are sensitive to outside involvement. This becomes even more important as our survey found that 83 percent of PE houses asked for a Board seat as part of their deal terms. As one of the portfolio company CEO said, *"The single most important concern after dilution of shareholding is whether they would interfere in day to day activities; whether they would cause problems in running the business rather than supporting the business". This concern was mirrored by another CEO who said of the PE investor, "If you are coming in to run the organization then we don't want funding; we know our business better than anybody else".*



The second most important factor is the Funds reputation as an investor. Both these findings demonstrate the importance of hiring the right individual to lead the PE house in India and the need to establish a local team. They also point out that in the future, PE houses would need to set up specialist 'operations' teams to work with investee companies, post-transaction.

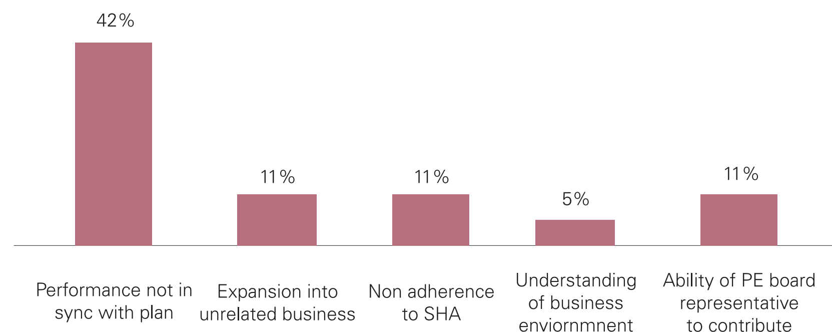
Deal execution and working with portfolio companies

Despite taking minority stakes in deals, 83 percent of managers requested a seat on the Board, with 75 percent being achieved

Taking a seat on the Board is a fact that will stay with the Indian PE market in the future. This requirement by PE houses is driven by the fact that corporate governance standards need to improve in portfolio companies and that, as the point mentioned below, management's digression from agreed plans.

The single largest issue post investment is the management's digression from agreed plans

Post investment issue with Management

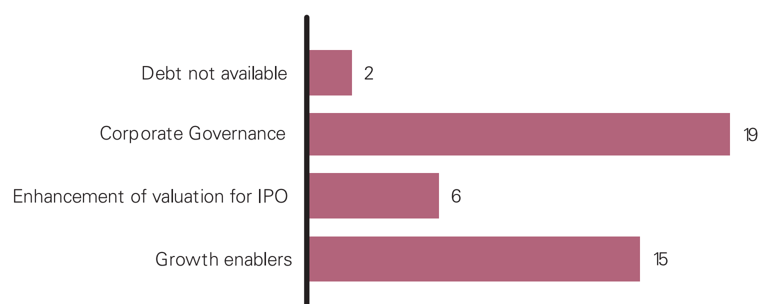


Expansion into unrelated businesses, non compliance with shareholders' agreements and deviations from financial performance were some of the examples provided by fund managers as the issues of concern post-investment.

With increasing competition on deal flow, there is some urgency to complete the deal and not adequately challenge owners on their business plans. PE funds need to conduct robust due diligence on the management's future plans to minimise the risk of overpaying for the deal. Further, deal teams in India tend to be small and may not have the breadth and depth of sector specialisation to adequately challenge future plans.

Plain vanilla funding is not the single driver for PE investment. The main drivers for portfolio companies in choosing a PE investment is support with Corporate Governance and enhancement of market reputation and contributing to growth enablers

Expectations from a PE Firm



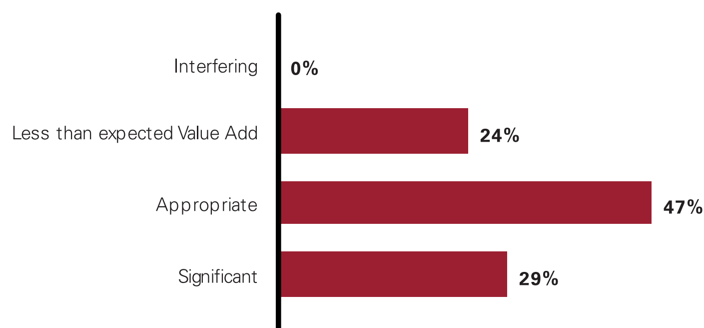
Indian deals are largely growth capital investments. The portfolio companies are typically mid-sized, private and owner managed businesses who need assistance in improving corporate governance and bringing in professional management teams. Such Indian companies have grown in confidence with the growth in India's GDP in the past two years, and are looking for acquisition opportunities and help in developing strategies to grow their business.

There is a general market perception that PE portfolio companies adopt better corporate governance practices which help in commanding a better stock market price at the time of the IPO. Some PE houses act as a catalyst in bringing about a change in auditor to a big 4 firm. Some others help in educating management on the benefits of implementing IT systems, etc. Yet some are reluctant to press management on these changes as the holding is a minority investment. The survey findings suggest that PE houses could increase their involvement in acting as a catalyst of change for improving corporate governance.

With increasing competition, PE houses would need to differentiate themselves by contributing to the inorganic growth strategy by identifying acquisition opportunities for portfolio companies and bringing in their international sector specialist teams that could help in developing business strategies.

About 50 percent of portfolio companies thought the level of PE involvement was appropriate –while 30 percent felt it was significant, and only 20 percent thought it was inadequate.

Investee' take on PE firms' involvement



As this finding suggests, PE Houses need to maintain a balance between their level of involvement and level of investment. There may still be a problem with the perception of PE involvement - regarding the value that they add for a small stake. Logistically, PE houses need to be equipped in resource terms to help with operational performance if this is their strategy.

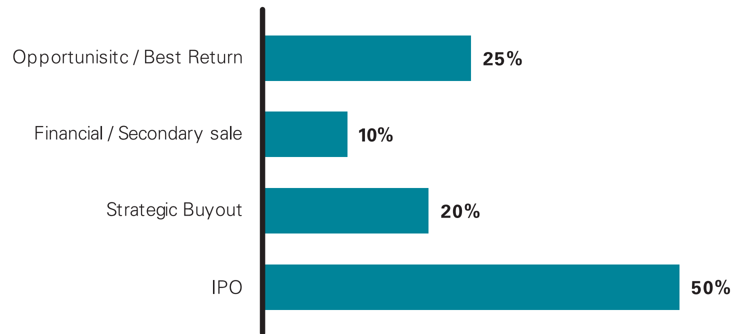
As one CEO acknowledged the role of the PE investor *'they make you think differently helping you control your business better'.*

The single largest concern for portfolio companies is that PE funds may not be invested long enough in the business, and consequently the implications of their exit

Portfolio companies would naturally be concerned with exit implications especially where there may be 'drag' along rights. PE houses could do better in educating prospective portfolio companies and developing strategies early to align their exit interests with that of the owners of the portfolio companies.

Exits and Return on investment

Preferred Exit Strategy



IPO is the preferred exit strategy

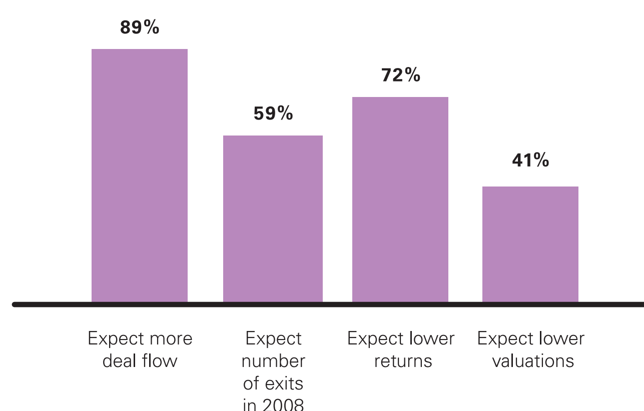
IPO is a preferred exit option in developed PE markets. Reflecting the current vibrant capital markets and attractive valuations in India, more than 50 percent of our PE respondents have indicated that IPO is their preferred route for investment.

Optimistic return expectations reflect current economy and bullish markets

55 percent of the respondents expected to achieve at least their benchmark returns with 45 percent respondents expecting a much higher return on their existing portfolio.

However a majority of the respondents felt that Indian businesses are over-valued, and 72 percent of respondents believe that the average return for PE is expected to decrease in the future

Future deal outlook



The Indian stock market (the Mumbai BSE Sensex) has risen by 104.5 percent since January 2006 and in December 2007 had a trailing P/E multiple of 29.4 and a forward P/E multiple of 23.5. Although the Indian stock market is perceived to be overheated, PE multiples in China are still significantly higher. The Shanghai Composite Index has a trailing P/E multiple of 49.5 and a forward P/E multiple of 43.1. But as the market becomes more competitive and matures, it is expected that valuations will increase, and therefore returns will lessen. This was reflected in our survey findings while 89 percent of the respondents expected more deal flow, almost 60 percent believed valuation will be higher and resultantly almost 72 percent of respondents believe that the average return for PE is expected to decrease.

The question for PE houses is how much longer they will wait to enter the Indian market, to take advantage of the opportunities already in existence. For those that are already here and have established their presence, identifying proprietary transactions through relationship building could help improve returns.

Regulation and Corporate Governance

A material portion of the respondents (42 percent) were of the view that regulatory and fiscal environment in India is a significant barrier to investments.

Regulatory and fiscal challenges have historically been the bugbear of foreign investors in India.

On the regulatory front, India has witnessed significant relaxation in its foreign investment regime. Foreign PE funds are treated at par with any other foreign investor, strategic or otherwise.

It is now possible for foreign investors in practically every industry to invest or establish operations without any prior approvals under a self regulation regime. That said, certain sectors like real estate, retail, telecom etc. continue to be regulated or restricted.

Another regulatory hurdle which most respondents felt constrained by- was the policy restriction on accessing leverage for stock acquisitions. This constraint is likely to stay due to the tight monetary policy of the Reserve Bank of India. Increasing the constraints on convertible instruments like preference shares and debentures by making them compulsorily convertible, was felt to have significantly decreased the flexibility in deal structures.

In balance however, in many respects due to the quality of laws, consistency of the courts and availability of decades of jurisprudence, many investors were far more confident about doing business in India as opposed to certain other comparable economies. On the fiscal and taxation front however, the confidence was less emphatic. Aggressive tax assessments, absence of consistency amongst tax officers in different jurisdictions and long periods of litigation before final resolution of tax basis were cited as areas of improvement.

The removal of pass-through status for venture capital funds for most industries without grand-fathering existing investments was also not appreciated.

The respondents were also nervous about the recent controversy relating to a large telecom transaction which raised issues relating to the jurisdiction of the Indian tax authorities on overseas transactions. The recurring press reports on probable renegotiations of tax treaties with Mauritius, Cyprus etc. were also cited as areas of concern.

In summary, whereas on the regulatory front, the consensus was that there is a secular trend in the direction of policy reform, on the fiscal and taxation front, the view was that changes were welcome.

Conclusion and summary

The Indian market for PE remains very positive with Infrastructure, Retail and Consumer related Media and Financial Services being sectors of focus going forward. However, most PE fund managers believe that the returns on investment earned in the past will not be possible going forward. PE Houses therefore, relatively speaking, lower their return expectations from India.

PE houses expect increasing competition and therefore establishing a local presence in India and identifying the right country head would be important for future success in this market.

Whilst valuations are perceived to be high and future returns are expected to reduce, deal flow is in abundance and India is beginning to challenge China as an equally favoured PE destination. For those PE funds who are not currently investing in the Indian market, the issue is not if but when.

There is a growing acceptance of PE as an alternative source of capital by owners of businesses although large business houses and groups have yet to embrace this source of capital.

Portfolio companies expectations of PE have increased and they expect PE to help facilitate growth and improve corporate governance. PE houses would need to consider setting up operations teams, in addition to deal teams to add more value to their portfolio companies. Portfolio companies currently perceive that PE Houses need to add more value post-investment.

Competition amongst PE is increasing and there are an increasing number of auction-based deals. PE Houses would need to differentiate themselves and be more sector focussed as against sector agnostic, in order to sustain and improve returns.

Regulations appears to be a key concern for PE as are restrictions in investments in certain sectors like retail, insurance, banking and finance and others. Although tax is seen as a key regulatory concern, India’s current tax regime for PE investment is actually more favourable than several other emerging economies.

KPMG and PE

KPMG is dedicated to PE. With a network of professionals across the globe, we strive to have PE professionals wherever and whenever you need them.

We believe that successful PE investment is based on a relationship built with you throughout the PE lifecycle - from deal sourcing, execution, portfolio management and through to successful realisation.

We combine specialists from across our Audit, Tax and Advisory practices, and across our industry sectors to bring you a consistently high PE experience and delivery.

Our Indian practice has close to 3,000 people and leverages from across industry sectors and geographies. We regularly tap into our global network of PE professionals – working across borders throughout Asia-Pacific, Europe, Americas and the Middle East and Africa.

KPMG was amongst the first to set up a PE group dedicated to support PE players on their India transactions. Our approach mirrors the move by the PE market away from a solely deal focus to a broader 'investment life-cycle' approach to enable value creation. Our experienced PE professionals, from across the KPMG network, have been focusing on the needs of this community since 2002. We work closely with several leading investors and their portfolio companies across a range of transactions in different industry sectors. Our broad range of services assist funds and their portfolio companies with their strategic, deal and portfolio management issues. In 2007, KPMG served over 75 PE houses and was associated with more than 150 PE transactions.

About KPMG in India

KPMG is the global network of professional services firms of KPMG International. Our member firms provide audit, tax and advisory services through industry focused, talented professionals who deliver value for the benefit of their clients and communities. With nearly 113,000 people worldwide, KPMG member firms provide services in 148 countries.

The member firms of KPMG International in India were established in September 1993. As members of a cohesive business unit, they respond to a client service environment by leveraging the resources of a global network of firms, providing detailed knowledge of local laws, regulations, markets and competition. We provide services to over 2,000 international and national clients, in India. KPMG has offices in India in Mumbai, Delhi, Bangalore, Chennai, Hyderabad, Kolkata and Pune. The firms in India have access to more than 2500 Indian and expatriate professionals, many of whom are internationally trained. We strive to provide rapid, performance-based, industry-focused and technology-enabled services, which reflect a shared knowledge of global and local industries and our experience of the Indian business environment.

Survey Methodology

KPMG extends its thanks to all of the PE houses and portfolio companies who took time to participate in this survey.

This is our first survey on PE in India. Our objective was to ascertain how the PE market has developed in India, and how the market place might continue to develop.

The fieldwork was conducted by BIRD agency in the form of in-depth face to face interviews. All participants answered a combination of qualitative and quantitative based questions.

Further research used in this report is supplied by Evalueserve, Venture Intelligence, Zero2IPO.

To preserve the confidentiality and anonymity of survey respondents (and in accordance with market research guidelines), analysis of the survey findings was carried out by BIRD and not by KPMG International or KPMG member firms.

in.kpmg.com

KPMG in India

Mumbai
KPMG House, Kamala Mills Compound
448, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013
Tel: +91 22 39896000
Fax: +91 22 39836000

Delhi
4B, DLF Corporate Park
DLF City, Phase III
Gurgaon 122 002
Tel: +91 124 3074000
Fax: +91 124 25491011

Pune
703, Godrej Castlemaine
Bund Garden
Pune - 411 001
Tel: +91 20 30585764/65
Fax: +91 20 30585775

Bangalore
Maruthi Info-Tech Centre
11-12/1, Inner Ring Road
Koramangala, Bangalore – 560 071
Tel: +91 80 39806000
Fax: +91 80 39806999

Chennai
No.10 Mahatma Gandhi Road
Nungambakkam
Chennai 600 034
Tel: +91 44 3914 5000
Fax: +91 44 3914 5999

Hyderabad
II Floor, Merchant Towers
Road No. 4, Banjara Hills
Hyderabad 500 034
Tel: +91 40 23350060
Fax: +91 40 23350070

Kolkata
Park Plaza, Block F, Floor 6
71 Park Street
Kolkata 700 016
Tel: +91 33 22172858
Fax: +91 33 22172868

KPMG Contacts

Vikram Utamsingh
Head, Private Equity
Tel: +91 22 3983 5302
e-Mail: vutamsingh@kpmg.com

Pradeep Udhas
Head, Markets
Tel: +91 22 3983 6205
e-Mail: pudhas@kpmg.com

Asawari Desai
Associate Director
Tel: +91 22 3983 5322
e-Mail: asawaridesai@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2008 KPMG, an Indian Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. All rights reserved.
KPMG and the KPMG logo are registered trademarks of KPMG International, a Swiss cooperative. Printed in India.