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INVESTOR RELATIONS

October 2013

ISSUE 01

FROM THE EDITOR'S DESK

Dear Friends,

Welcome to the first edition of **IR Connect**. It's with great pleasure we are sharing our e-magazine with you and I hope you will enjoy reading it.

Let me take a moment to explain why we've initiated **IR Connect**. Over the last 14 years, the Dickenson Group has built multiple competencies and silos of excellence - in the areas of investor relations, corporate reporting and brand stewardship. Not surprisingly, we've built a vast treasure trove of knowledge, ideas and connections with the marketplace. But when it comes to sharing interesting ideas and discussions with you, we found that there is a great paucity of publications that addressed the interests of our profession in India. **IR Connect** is a small measure from our side to redress this vacuum and is aimed at the capital market participants, including Corporate IROs & CFOs, Sell Side Analysts, Buy Side Investors, IR Service Providers and the financial media.

So in essence, it is an open forum for all participants to share their ideas and contribute their views. In the initial stages, we realise that **IR Connect** will have heavy contribution from its primary sponsor - the Dickenson Group. But in time I hope that all stakeholders will gradually take part in sharing their views on important issues. Our editorial team is acutely aware of this fact and we aim to make a conscious effort in making this magazine more than just Dickenson Group's take on things. Initially we plan this publication to be a quarterly, gradually improving its frequency to becoming a monthly as and when the flow of content from the marketplace becomes more prolific. Distributed free, the initial expected readership is expected to be around 3000+ individuals from the capital markets and the financial media.

In this issue, we feature a trade orientated article on the importance of IR Analytics to IROs. In our Business Strategy category, we take a close look at how the jewellery bellwether TBZ - The Original is riding the storm of depressed demand and

government orchestrated supply constrictions. We also present to you some business wins and case studies in corporate reporting. We hope that with this modest beginning, **IR Connect** will evolve and grow into a trade magazine of repute and wide readership. I invite all of you to feel free to engage with **IR Connect** - in terms of releasing news stories, contributing articles and sharing your views in general.

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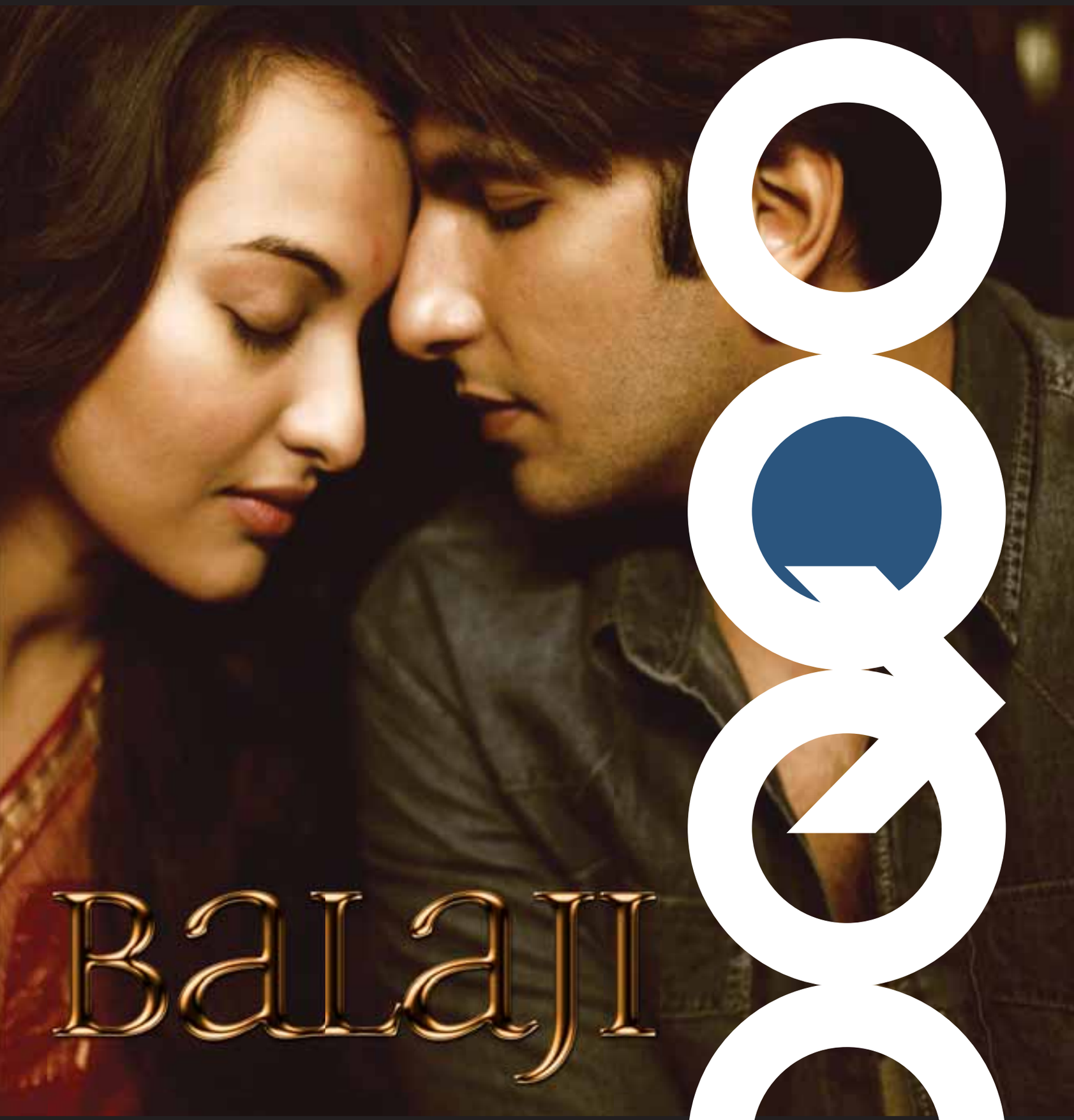

Balaji

FINANCIAL REPORTING: BALAJI TELEFILMS LTD.

USING IR INSIGHTS TO SHARPEN OUR MESSAGE

Having won the contract for producing the Annual Report for the entertainment major Balaji Telefilms Ltd, the Dickenson Group took the IR route to define the core messages for the Company's investors.

Balaji Telefilms Limited (BTL) is one of the leading providers of entertainment in India, promoted by the Bollywood legend Jeetendra Kapoor and managed by his wife and daughter, Mrs Shobha Kapoor and Ms. Ekta Kapoor, respectively. Having created a benchmark in television programming, BTL is one of the first companies to have ventured into Hindi and Regional GEC and has evolved from being a pure-play TV content provider into one that produces content for the big screen also.

BTL recently appointed a new Chief Financial Officer and a Company Secretary and the new Finance & Compliance Team, along with the management of BTL, wished to elevate the quality of their communication with investors. Through the Annual Report, the company wished to showcase how it is well-positioned to capitalise on the high-growth Indian domestic Media & Entertainment industry with structural upside.

Through the Annual Report, Balaji Telefilms Ltd. aimed to showcase how it is well-positioned to capitalise on the high-growth Indian domestic Media & Entertainment industry with a structural upside.

INNOVATION IS THE KEY

For its selection process, BTL invited creative ideas and topics from existing and alternate players in the communication space. Based on an internal review, BTL engaged the services of the Dickenson

Group and appointed it as their Communications agency to fulfil its corporate reporting norms, despite having an external Investor Relations agency. Dickenson participated in the pitching process with highly innovative ideas and designs and was duly selected as the agency of choice.

During the making of the Report, a key design innovation idea that emanated was to present the Annual Report like an entertainment magazine. The idea was to give readers a feel of not only BTL's financial performance, but also about the entertainment software that the company produced during the year. In BTL's previous year's Annual Report, the latter part was grossly deficient. Internally, Dickenson arrived at a consensus that investors could evolve a better emotional connect with BTL only if they were able to truly understand its creative assets – the TV programs and motion pictures that Balaji had produced.

THE IR PUNCH

Yet another key reason for BTL to engage the Dickenson Group was the latter's competent Investor Relations Team, which was involved end-to-end in reviewing BTL's perception within the markets. As a matter of fact, Dickenson's IR Team highlighted the points of communication that were most relevant at this point in time to shape the perception of the company. Having created high-quality content and successfully produced many TV serials, this needed to be highlighted. After all, BTL was at a juncture where it was revamping its business model.

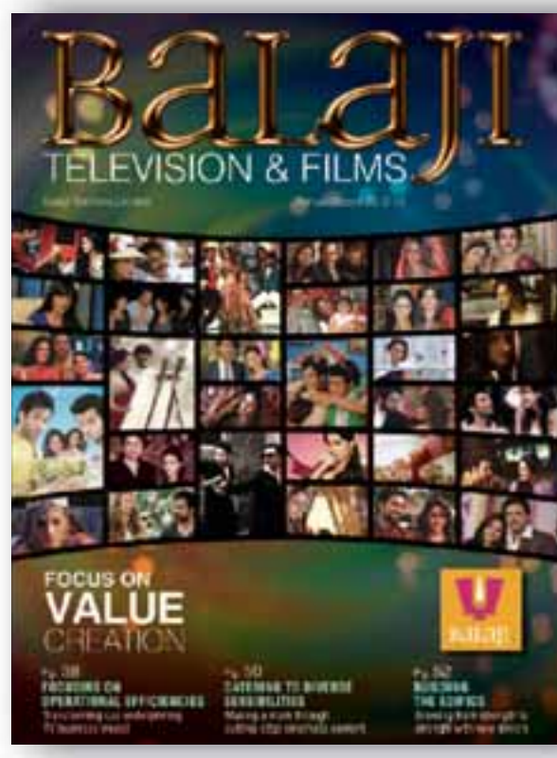
REVISITING BUSINESS STRATEGIES

Having forayed into production and distribution of films through the platform of Balaji Motion Pictures Limited, BTL was in the process of growing its films business and eliminating its loss-making ventures, such as sponsored TV programming. In view of this transformation, BTL felt it absolutely necessary to communicate the facts clearly to its investors.

Using the Annual Report platform, BTL endeavoured to list out its key strategies, going forward – increasing investments in films by building a slate of high-profile movies; increasing non-theatre revenues by pre-licensing music, satellite and overseas rights; increasing its distribution network by entering into more territories; exiting the low-revenue model of sponsorship programming; generating niche and diverse content to win audiences and loyal viewership; and reiterating its leadership position in the TV industry.

APPROACH TO CORPORATE REPORT

Dickenson presented the Annual Report of BTL in magazine style – making it rich in content and describing BTL's creative assets well



by profiling them visually and with relevant data. The Annual Report outlined the business strategies in play for BTL's television business – transforming its underpinning business model towards better profitability and predictable growth; leveraging its core strengths in creativity to build an even deeper portfolio; and exiting from sponsored programming to increase profitability.

The Report also highlighted BTL's strategies in the movies segment – making a mark through cutting-edge cinema content; scaling up to build new growth drivers; and de-risking the business by focusing on non-theatre revenues and cost rationalisation. The effectively listed-out strategies helped BTL

STRATEGIES IN PLAY FOR OUR TELEVISION BUSINESS

TRANSFORMING THE UNDERPINNING BUSINESS MODEL TOWARDS BETTER PROFITABILITY, PREDICTABLE GROWTH

Our infrastructure – in-house cameras, lights and sets – are effectively utilised to amortise our fixed costs and produce more shows.

Operational efficiency and cost rationalisation have been our key focus areas. We have adopted the practice of stringent cost control across the operational side through strict monitoring and effective benchmarking. This helps us in taking informed decisions without compromising on the quality of production. It also helps in translating this into strong revenue growth over next 2-3 years. Optimum utilisation of our existing sets and an effective management reporting system helps us continuously monitor and control costs at all levels. Our key strategy has been effective planning of each episode and utmost efficiency in execution, which gives us the capability to translate the cost savings into numbers. With these strategies in place, we continue to maintain our core competencies in fiction television programming with no deviation from our brand of core programming.

COST RATIONALISATION

As a conscious strategy, we plan each episode well in advance and increase our daily output by at least 20-25% at the shoot level. This enables us in becoming more efficient and producing more episodes each month. Each show is being accounted for separately with more clarity per show, per channel. We are also revamping our old sets at much lower costs and are using the same sets for new shows. Using the same infrastructure, we manage to shoot more number of episodes, which increases our margins and gives higher revenues. Our cost control initiatives will result in further healthy realisations going forward.

CO-PRODUCTION MODEL

Our constant focus is to reduce overhead expenses by amortising fixed and infrastructural costs. Our 23 modern studio sets and 26 editing suites, including other fixed-cost infrastructure, are amortised by co-producing additional shows. Currently, we are co-producing *Gumraah: End of Innocence (Season 3)* on Channel V with Lost Boy Productions and *Savdhaan India* on Life OK with a co-producer. Using this model, our infrastructure consisting of in-house cameras, lights and sets and other fixed costs are effectively and optimally used to produce additional TV shows.

HEALTHY PROJECT PIPELINE

Television programming continues to be one of our key areas of focus and we are venturing into new serials in FY2014 under the Hindi GEC segment. With our basket of commissioned programmes set to increase, FY2014 will see a whole set of new TV shows targeted at capturing sensibilities of different audiences on GEC and non-GEC segment. In addition to our shows currently on air, we are gearing up to expand our portfolio in the Hindi GEC segment, by launching 5-6 new TV shows during FY2014 alone. We have recently launched a historical love story *Jodha Akbar* on Zee TV. Besides *Gumraah: End of Innocence (Season 3)* on Channel V in association with Lost Boy Productions and *Savdhaan India* on Life OK, we are producing *Mera Tera Rishta Purana* for Star Plus. We have also received an approval for two new shows on Doordarshan (DD) under the GEC segment. All these shows are expected to go on air in the second half of FY2014.

Our upcoming TV shows are radically different and are aimed at appealing to existing audiences and winning new audiences. *Mera Tera Rishta Purana* is a fiction-show based on Manju Kapur's novel 'Custody'. Besides traditional family-based shows, we are focusing on other genres as well. *Jodha Akbar* is a first-time ever costume drama on television based on the epic *Jodha Akbar*. Through *Gumraah – End of Innocence (Season 3)* on Channel V and *Savdhaan India* on Life OK, we are adding youth-based entertainment to our overall basket of assorted TV shows.

provide a clear visibility on earnings and revenues. It also brought clarity to its healthy project pipeline in the TV and Movie segments and their ability to augment its output and bottom line.

A WIN-WIN OUTCOME

The final AR output was a very satisfying end-result for both Dickenson and Balaji. It helped create greater clarity on the under-currents of the Company and thus improve the transparency.

- IR Connect Editorial Team

Dickenson's IR Team highlighted the points of communication that were most relevant at this point in time to Balaji's management. Having created high-quality content and successfully produced many TV serials, this needed to be highlighted, as the Company stood at a juncture where it was revamping its business model.

INVESTOR RELATIONS MANDATE

HOLISTIC APPROACH TO REDEFINING VAKRANGEE

Dickenson-Seagull IR recently won a contract from Vakrangee Softwares Ltd., to provide its specialised service and domain expertise in Investor Relations, Corporate Communications, Corporate Reporting and Branding. A holistic approach in communications was taken to explain the Company's new business model.

Vakrangee Softwares Ltd. is a Mumbai-based BFSI company engaged in providing of related services to India's unbanked and under-banked population. Vakrangee also creates the back-end for assimilating and processing data and enabling effective interaction between the Government and citizens.

DEFINING VAKRANGEE

Vakrangee is a technology driven company, focusing on creating India's largest network of last-mile retail points-of-sale, to potentially enable every Indian to seamlessly benefit from financial inclusion, Government programmes and from a wider access to basic goods and services.

As a part of Financial Inclusion Initiative, Vakrangee has received a mandate by the Finance Ministry and RBI to set up 50,000 Ultra-Small Bank (USB) branches exclusively in the states of Rajasthan, Delhi and Maharashtra. The Company is allowed to also offer G2C (Government to Citizen) as well as B2C (Business to Consumer) services at these Outlets resulting into Exclusive Retail outlets. Thus, the company would leverage its vast network of retail access points to deliver real-time BFSI services, G2C services and B2C services to the unserved rural, semi-urban and urban markets.

ENGAGING DICKENSON

Vakrangee has engaged the services of Dickenson to apply its multiple competencies in Investor Relations, Corporate Communications, Corporate Reporting and Branding. Besides the typical Investor Relation functions, Dickenson's scope of work for Vakrangee includes redefining the company's branding language, redesigning its website and implementing an effective IR Program. Gradually, Dickenson shall also be involved in its corporate communication functions by helping them produce the next year's Annual Report.

AN INTEGRATED APPROACH

Vakrangee is in an extremely exciting space, owing to a complete transformation in its business model, which has drastically changed from being just an IT company to India's largest micro-branch retailer. Hence, an integrated approach to enable an effective two-way communication between the company and the financial community has become necessary. The need is to reposition the company in the eyes of stakeholders and investors. We, at Dickenson, are glad to be a part of this exciting story and foresee the company to become a major player taking part in the financial inclusion of India's rural population.

THE 'INVESTOR RELATIONS' ROLL-OUT

This IR mandate of Vakrangee is a classic example of how a company can effectively leverage multiple competencies of the Dickenson Group by establishing a holistic approach towards corporate and investor communications and connecting with the audience better. We bring to the table not just our Investor Relations capabilities, but also our domain expertise in the functions of Corporate Communications and Branding. With a holistic approach on implementing varied layers of communication, we hope to contribute significantly to expressing Vakrangee's success story.

CONCLUSION:

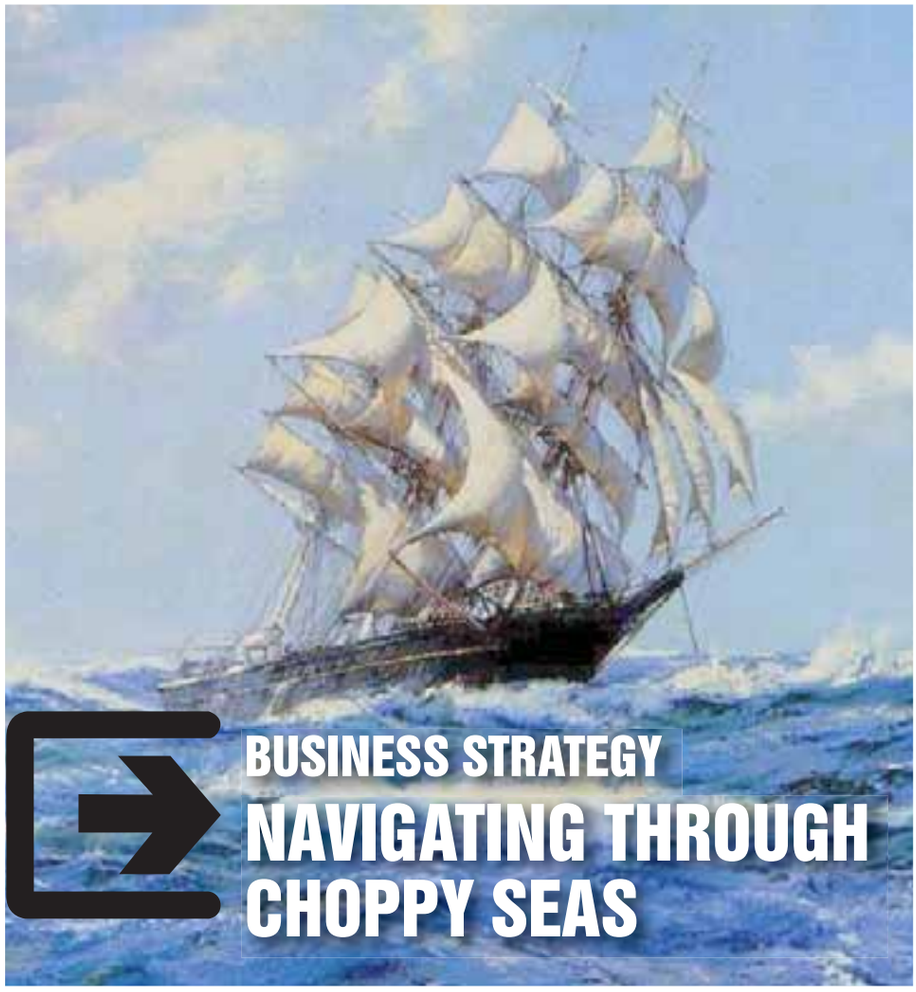
The Vakrangee mandate is a case in which Dickenson's entire skill-sets are being used. This showcases Dickenson's unique capabilities beyond the IR function, which when combined with IR become quite potent.

- IR Connect Editorial Team



COVER STORY

TBZ NAVIGATING THROUGH CHOPPY SEAS



BUSINESS STRATEGY

NAVIGATING THROUGH CHOPPY SEAS

Even as the market scenario continues to remain turbulent, TBZ - The Original is adopting innovative business strategies to mitigate the economic down cycle. IR Connect gives you an insight on how this peer jewellery player is cleverly adapting itself to mitigate ground adversities.

It seems that Indians have a near pathological fascination for gold. Not only do we view it as an ornamental metal that glistens and adorns, but also as the ultimate safe haven investment of last resort. And when it comes to the negative impact that gold imports are having on our Current Account Deficit (CAD) and so our currency valuations, Chaucer's saying that "all that glitters is not gold" is truly apt for once.

Not surprisingly, India's jewellery industry has recently been facing one of the worst scenarios in the last few decades. Not only is it facing soft demand

in one of the most restrained consumption behaviour that India has experienced in the last 30 years, but the Governmenttoo has tried to nip the supply bud by taking various measures to curb gold imports, such as import duty hikesand the 80:20 import restriction– that ties gold imports to exports. These recently introduced measures are aimed at reining in a record-high CAD India is currently facing and defending a weakening Indian Rupee – or at least in theory. Adding to this, with the overall consumer sentiment weakening due to a sluggish economy and high gold prices (barring the period during April-May 2013 when the prices fell by around 10%), demand for the physical metal remained broadly subdued.

Amidst this backdrop of "the perfect storm" brewing into, what some might say, tsunami-like waves, one jewellery player that is navigating these choppy waters and managing to maintain its course along an exciting journey of growth is Tribhovandas Bhimji Zaveri – The Original (TBZ). With more than 150 years of travel distance behind it, TBZ is not a novice to witnessing tough times. In fact it has navigated through several down cycles over its long history – and this current storm is no stranger to this jewellery bellwether.

With more than 150 years of travel distance behind it, TBZ is not a novice to witnessing tough times. In fact, it has navigated through several down cycles over its long history – and this current storm is no stranger to this jewellery bellwether.

KEEPING JEWELLERY AFFORDABLE; KEEPING CONSUMERS INTERESTED

A general slowdown in the overall global economic activity has led to a widespread drop in consumer spending in India too. Consumers generally refrained from spending and focused on preserving their cash position in view of the world economic slowdown. And since jewellery is accorded as discretionary spending, the segment was adversely impacted by a fall in consumer spending. And well, TBZ was no different. Akin to the players in the jewellery segment, TBZ too witnessed slower sales in its showrooms. Moreover, the steep rise in global prices of the yellow metal didn't help either – making jewellery more expensive and unaffordable.

Nonetheless, the industry along with TBZ did benefitfrom a drop in gold prices during April-May 2013, helping the company post stellar first quarter results. However, there was a low level of activity at the store level during July-September period. This was due to combination of two factors. One, the second quarter is typically the weakest in the jewellery sector given the lack of any auspicious days for weddings or other occasions; and second, a fall in gold prices in the first quarter led to advancing of jewellery purchases by many customers.

a. Being Value Smart

Given the prevalent business conditions, TBZ continues to work towards stimulatingconsumer demandthrough stunning jewellery

designs and for demonstrating continuity in quality assurance. The jewellery player continues to display a sterling quality of determination to move forward, amid the current economic challenges. Its contemporary and traditional jewellery, albeit low-priced, entails a higher perception value, even as its skilled designers continue to elevate existing jewellery designs to inimitable craftsmanship.

b. Enhancing In-store Experience
TBZ is enabling branding and marketing initiatives with more in-store events and road-shows. Towards this goal, a definite paradigm shift is being carried out from ATL (Above The Line) to BTL (Below The Line) activities, with an increased focus on one-on-one customer interaction and enhancement of 'in-store experience'. To give an example, through its Jewellery Education Programme, TBZ tries to educate loyal customers on different ways of caring for their personal jewellery.

c. Rationalising Costs
To maintain its operating margins and improve profitability in these difficult times, TBZ is rationalising its marketing and payroll costs. It is also maintaining a key focus on inventory improvement by getting rid of non-essential inventory and by lowering its inventory carrying cost.

d. Encasing Elegance
The story of TBZ begins with a simple vision – that of elevating designs and creating jewellery that excites. Today, TBZ has arguably reached the status of becoming a national brand. It enjoys a special connect with customers backed by a strong pedigree, exclusive designs, innovative offerings and a widening store reach. TBZ considers its customers as its brand advocates. To fulfil their aspirations, it recently unveiled its jewellery collection for weddings and the 'showstopper' and Dohra collection

A definite paradigm shift is being carried out, with an increased focus on one-on-one customer interaction and enhancement of 'in-store experience'.

in the fashion jewellery segment. It aims to continue making a mark in innovative jewellery design, continuing its 150-year old tradition.

SOURCING IS THE NAME OF THE GAME

The gold lease model has traditionally been a favourite source of gold requirement for most jewellery makers. The model helped the jewellers manage their working capital intensity, avail credit up to 180 days, and most importantly without having to bear any inventory price risk, leading to lower financing and hedging costs. However, as a measure to constrict supply and trading of gold coins and tablets, the Government thought it wise to temporarily ban gold procurement under the lease model, making the jewellery industry suffer a temporary setback. TBZ too needed a way out of this precarious condition. In fact, the gold lease model had become a prime source for TBZ to source gold.

Given this constriction, TBZ has been quick in adopting alternative channels of raw material procurement to manufacture its jewellery. Various avenues are being tapped to source gold, aimed at reducing its exposure to mark-to-market loss, enhance cash flows and accelerate its working capital cycle. Let us learn about the different avenues of gold sourcing tapped by TBZ in order to fulfil its annual gold requirement.

a. Maintaining Strong Bonds with Bullion Traders

Given the excellent relationship TBZ continues to enjoy with its bullion dealers for over one-and-a-half century, it anticipates this medium of supply to continue smoothly.

b. Tapping Funding from Consumers

TBZ aims to procure physical gold in the form of coins and bars through its recently floated Gold Deposit Scheme. The scheme helps customers earn 5% interest on gold deposits and get back the precious metal after a year in physical form. TBZ's Kalpavruksha Scheme is seen contributing nearly 10-12% to its total sales in FY2014, higher than 7% it contributed in the previous fiscal. TBZ recently launched another gold scheme – the Suvarna Srushti scheme – which enables customers to book grammages month-on-month at current market prices, eliminating rate volatility.

c. The 'Old' for the 'New'

TBZ also relies on exchange of old gold jewellery for its gold requirement and has been historically meeting around 26% of its gold requirement through this medium. The company now plans to incentivise this medium by waiving off charges levied on exchange of old jewellery.

d. Tapping Bank Gold Reserves

To add yet another significant and reliable source for its gold requirement, TBZ is in the last leg of negotiation with a leading PSU bank. It will tap on the bank's large reserves of goldaccumulated in the form of deposits from temples and trusts.

In view of these multiple fresh alternative avenues of gold sourcing, TBZ is confident of keeping the supply sources flowing and mitigating the incremental increase in working capital due to the abolishment of the lease model.

EVERY CLOUD HAS A SILVER LINING

After having breached the level of Rs 34,000 per 10 grams in August 2013, the price of gold in India has currently moderated to a range of Rs 28,000 – Rs 29,000 per 10 grams. With the gold price expected to remain at or below the current price range,TBZ is betting on the upcoming festive season, higher number of jewellery-buying occasions (Dhan Teras, Pushya Nakshatra and Akshaya Tritiya) and the soon-to-arrive Hindu wedding season to clock higher sales and report a better performance during second half of FY2014. During FY2014, an increased number of auspicious days (lasting till June-end 2014, highest in the decade) and wedding days (74 days in FY2014 vis-à-vis 49 days in FY2013) is expected to do the magic.

Various avenues are being tapped to source gold, aimed at reducing TBZ's exposure to mark-to-market loss and enhance cash flows. With this, it is confident of keeping the supply sources flowing and mitigating the incremental increase in working capital.

Wedding jewellery buying is high-ticket and generates good volumes, which helps TBZ gain an edge as a specialist wedding jewellery retailer, focusing on exclusive design and superior quality. TBZ is also banking on the conversion of a pent-up demand for the yellow metal, combined with India's generally strong affinity for precious gold-based jewellery.

EXPANDING THE FOOTPRINT

Despite economic sluggishness, TBZ is on track with its expansion plans with a robust commitment to grow with a cautious approach. The company's prime emphasis is on India's Tier 2 & 3 cities to leverage on a strong preference for quality jewellery in these markets. About 27 retail stores are currently operational with its retail space exceeding 88,000 sq ft across 21 cities. Going forward, TBZ's overall goal of opening 57 stores remains intact. However, it is judiciously re-adjusting the number and timing of the hub stores versus spoke stores, to ensure maximum inventory and marketing efficiencies. With a long term focus on expanding its footprint, TBZ continues to travel on a steady course of becoming a truly pan-India player.

BEING FUTURE READY

Amid troubled waters, TBZ aims to continue sustaining its leadership in the jewellery segment by leveraging on its capabilities and building on new business strategies. It seeks to deliver value through a seamless supply chain and enduring relationships. The key is to sharpen itself amid trying times and hold its ground well. Well, if TBZ can pull this one off effectively, nothing can stop it from penning a new success story and standing out as a strong contender among the industry's outliers.

- IR Connect Editorial Team

IR SPEAK

DO WE NEED IR ANALYTICS ?

IR Connect looks at how an IR plan can become much sharper and result-oriented with the help of IR Analytics. Every IRO and CFO should take a careful look into its values and benefits.

It's a well accepted dictum that stock valuations are a function of how corporates maintain their presence with the financial community on a consistent basis. And we all agree that a well crafted Investor Relations (IR) plan is crucial for attaining the best possible stock valuation relative to ones peers over the long term, despite short-term fluctuations in the overall market. To ensure that one is operating on the back of a good plan, a highly analytical approach is the need of the hour for crafting effective investor relations strategies for promoting a long-term view of a company while attracting investors at each stage of the company's life cycle. Analytics have an obvious role in monitoring the success of investor relations activities and signaling when changes in tactics are necessary to maintain a fair valuation consistent with the company's investment characteristics.

A mistake we often notice is the overreaction to fluctuations in the stock price or trading volume without fully understanding the drivers and detractors. Another common mistake is to ignore fluctuations under the assumption that management cannot influence liquidity and volatility beyond reporting quarterly or annual financial results. On the contrary, executive management teams have the opportunity to manage their relationships with the financial community as efficiently and productively as they manage the rest of the company. Central to this ability is the availability of good analytics, that can often give new life and meaning to an IR Programme and help avoid such misguided thinking. A more proactive approach to investor relations based upon sound analytics promotes better informed investment decisions and stock valuations which more accurately reflect the company's investment characteristics and prospects for growth. Executives can better manage market expectations by regularly evaluating the effectiveness of their investor relations activities and making course corrections when necessary.

Such analytics can vary in many shapes and forms, but essentially it must focus on evaluating the relationships between stock price, trading activity, investor interest and stock ownership. The trends that one is able to identify out of such analytics lead to more effective investor relations strategies, and more importantly, practical tactics. In other words, daily monitoring is less useful than analyzing relevant "big picture" patterns and historical trends. Fully understanding why a stock is trading at a premium or a discount to its peer group and why it appears more or less volatile than others in the peer group, can help signal the need for a course correction in tactics and managing expectations. The issues could include but are not limited to inappropriate shareholder mix or inaccurate investor perceptions.

PERCEPTION MANAGEMENT

Incorrect investor perceptions is the most common reason why the common stock of a particular company is mistakenly undervalued. Collecting information about how a company is perceived is very useful and can be accomplished formally or informally. Since perceptions are heavily influenced by investment styles, sample size and selection are very important. The purpose of this analysis is to discover noticeable patterns of investor perceptions for which the company can take further action. Analyzing the areas of curiosity and points of confusion requiring further clarification are useful toward resolving misperceptions and improving the effectiveness of future communication. If the investment styles of institutional shareholders are aligned with the investment characteristics of the company and inaccurate perceptions still exist, management may need to make a course correction regarding its communication with the financial community. Comprehensiveness, consistency, accuracy, continuity and timeliness are among the areas for further refinement. A formal

To ensure that one is operating on the back of a good plan, a highly analytical approach towards IR is the need of the hour.

investor perception study involves structured interviews with existing and prospective institutional shareholders. Companies usually contract with third parties who can solicit candid feedback with a commitment of anonymity. Some IR service providers, such as Dickenson Seagull, carry out continuous perception studies for its clients, evaluating the positioning of its client as frequently as four times a year.

Outcome - Understanding Market Expectations & Investor Perception

- By Tracking Pre-Result Analyst Estimates and Post- Result Change in Analyst Estimates for the Corporate
- Tracking Coverage on the Company and Change in Buy / Sell ratings Post the Quarterly Results
- Understanding the Rationale for the Change in Ratings provides Good Insight into Investor Perception

GETTING YOUR INVESTOR PROFILE RIGHT

Analyzing the mix of institutional investors can indicate the investment styles attracted to the company. Comparing the investment styles of the equity holders with the investment characteristics of the investee may be the single best measurement of message clarity and efficient utilization of management's time. Logically, growth stocks should have a large percentage of shares held by growth investors and value stocks should have a large percentage of shares held by value investors. An appropriate shareholder mix helps promote more reasonable expectations for the company's future financial performance, and therefore, a more orderly market for the common stock.

Successful investor relations strategies involve creating sound communications around well-articulated investment characteristics and marketing to targeted prospective shareholders with investment styles that match those investment characteristics. Shareholders will change as the company's investment characteristics evolve over time and monitoring the mix of institutional shareholders on a regular basis will help identify when a course correction in messaging and/or time allocation is necessary.

Outcome – Optimum Utilization of Management Bandwidth

- ***By Performing Shareholding Target Analysis*** – Studying the Shareholding Pattern of Various Domestic as well as Global Peers to meet the Right set of Targeted Buy side Investors for meetings with the Management.
- ***By Performing Peer Coverage Analysis*** – Tracking peers covered by which Brokers can target proper Sell side Meetings.

The investment styles of shareholders influence their perceptions, making it difficult to manage expectations if those styles do not match your investment characteristics. Therefore, growth stocks should have growth investors; value stocks should have value investors.

So an analysis of your shareholder mix can be an efficient tool for targeting institutional investors for future changes in your investment characteristics. As your company continues to grow and evolve, your investment characteristics will change and so will your shareholder mix. And the important part about that is that the investment styles of your shareholders definitely influences their perceptions, which can make it difficult to manage expectations if those investment styles do not match your investment characteristics. Therefore, growth stocks should have growth investors; value stocks should have value investors.
Growth investors are always seeking stocks with earnings expected to grow faster than the industry in overall market. Value investors are seeking stocks that they believe the market has undervalued despite the company's long-term fundamentals. There are also different segments of value investors, from deep value, looking for significant change in a company to core value.

PEER GROUP ANALYSIS

Since portfolio managers contrast and compare the financial performance of companies providing similar products or services, it is beneficial for companies to perform the same analysis and monitor the activities of peers on a consistent basis. The information helps management prepare in advance for interactions with the financial community and facilitates opportunities to display their industry knowledge, correct inaccurate perceptions and/or clarify variances between their company and its peer group. Peer analysis serves another purpose as well. There will be periods when external factors appear to drive the trading activity for a company's stock more than its financial performance and future outlook. Stocks trade with their peer group, their industry and the overall market. Monitoring the stock price and trading activity of a company's peer group can be very helpful toward explaining changes in the company's stock price and trading activity.

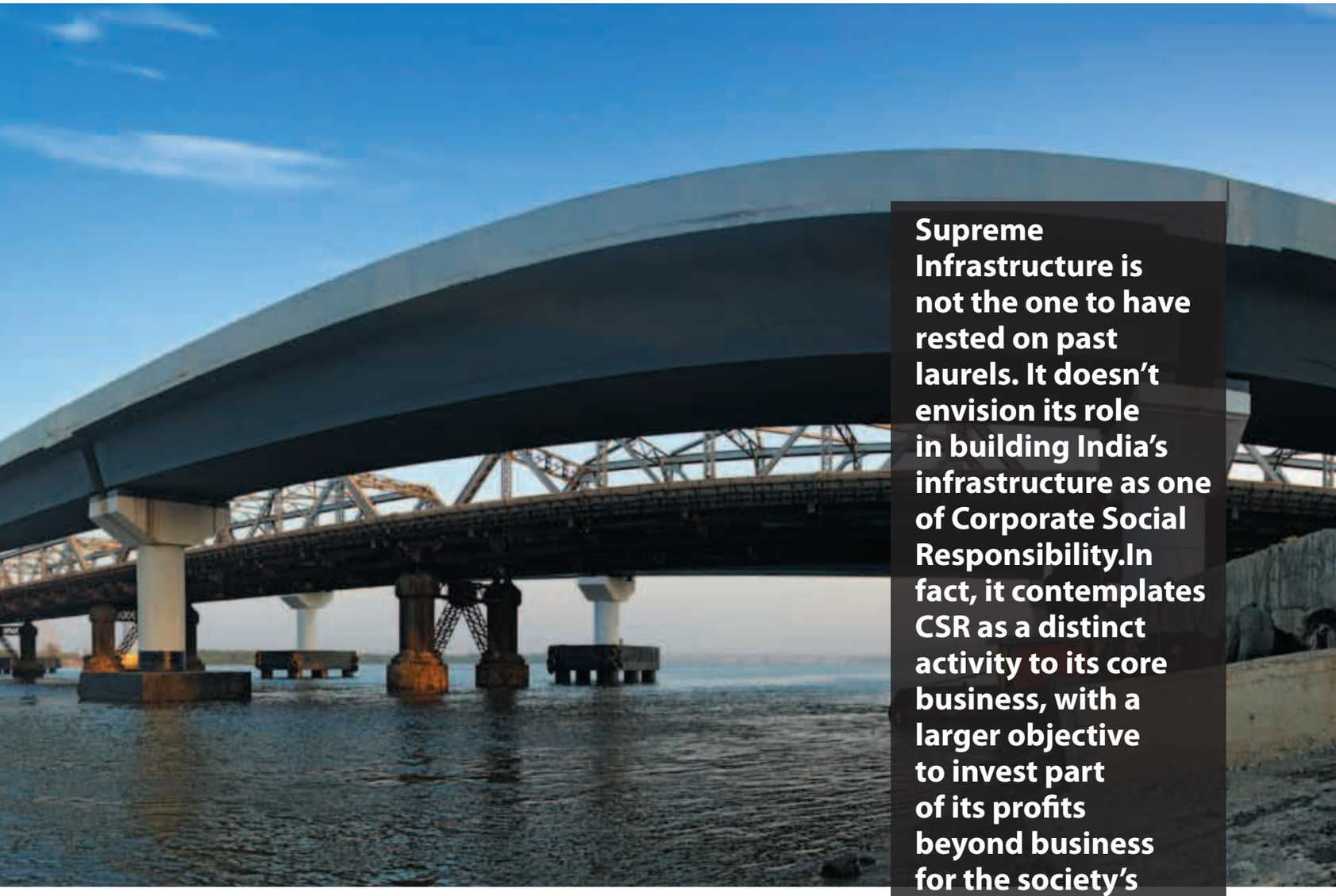
Since portfolio managers contrast and compare the financial performance of companies providing similar products or services, it is beneficial for companies to perform the same analysis and monitor the activities of peers on a consistent basis.

Outcome – Business Intelligence and Peer Analysis

- Analyzing Domestic as well as Global peers on Financial as well as Operational Parameters.
- Understanding their Key Drivers/ Metrics and Re-positioning accordingly.

In conclusion, by using analytics you have the ability to assess and adapt your activities as you go along. There will be unexpected events; there will be a change in corporate strategy at any given time, expansion, consolidation in your market, new competitive threats, a number of reasons that may take you and cause somewhat of a distraction. So, having an analysis based plan in place is a good thing. Not surprisingly, like other service providers, Dickenson Seagull IR is an avid believer in analytics, which forms the centerpiece of its multifarious IR services.

- IR Connect Editorial Team



Supreme Infrastructure is not the one to have rested on past laurels. It doesn't envision its role in building India's infrastructure as one of Corporate Social Responsibility.In fact, it contemplates CSR as a distinct activity to its core business, with a larger objective to invest part of its profits beyond business for the society's larger good. Its endeavour is to enable people with the wherewithal to become more productive by weaving in the concept of sustainable livelihoods.

SUSTAINABILITY TALK

ENROUTE TO EQUITABLE GROWTH

Supreme Infrastructure India Ltd. moves a step ahead in its CSR policy by providing vocational training to the youth and absorbing them as workforce. In the process, it empowers lives, sustains livelihoods and creates an equitable society.

SUPREME
THE POWER OF EXCELLENCE
SUPREME INFRASTRUCTURE INDIA LTD.

By virtue of being an infrastructure developer ina 'development starved' country like India, Supreme Infrastructure India Limited (SIIL) is already pledged towards the chronicles of corporate philanthrophy. After all, the infrastructural bottleneck has been the biggest challenge in halting India's sustained economic growth and lowering its economic competitiveness. Lack of high-quality physical and social infrastructure has been the prime hurdle in enabling India's growth to become more inclusive and sustainable and making its economy turnaround.

SIIL is a diversified EPC player and an integrated infrastructure enterprise. The Company has developed solid competencies, operational abilities and skill-sets in executing large-scale and challenging projects across different geographies and business verticals in the EPC segment. The Company has a healthy current order book of Rs 60 billion executable over the next 2-3 years.

SIIL is not the one to have rested on past laurels. It doesn't envision its role in building India's infrastructure as one of Corporate Social Responsibility.In fact, SIIL contemplates CSR as a distinct activity to its core business, with a larger objective to invest part of its profits beyond business for the society's larger good. Its endeavour is to enable people with the wherewithal to become more productive by weaving in the concept of sustainable livelihoods.

Towards this objective, SIIL has been undertaking several projects, including facilitating quality education for students – providing computers, books, notebooks and stationery. It recently another feather in its cap towards its aim of sustaining appropriate development programs for its neighbouring communities. SIIL inaugurated the Supreme Technical Institute (STI), a vocational educational institute, at Talavli, Padgha (Bhiwandi, Thane, Maharashtra) in October 2013, which provides vocational courses to students. The institute also offers free IT education to the society's youth.

The institute was inaugurated by ShriJeevanSonawane, the Honourable Commissioner of Bhiwandi Nizampur Municipal Corporation. Other honourable guests who attended the event were: Shri Kapil Patil, Chairman, Thane District Central Co-operative Bank –TDCCB and Vice President of NCP Maharashtra; Shri Mohan Andhere President – Rural District & NCP; Shri Pandit Patil, Industrialist; and Shri Suresh Manore, Police Incharge – Padgha.

SIIL feels a great responsibility towards the society's development. "We sincerely believe that education and employment are two major concerns deterring India's development. Our new institute is aimed towards fulfilling our vision of achieving our objective and contributing towards the society," said Shri Bhawanishankar H. Sharma, SIIL's Chairman.

The institute is aimed towards the society's economically diffident and under-privileged segment by offering them free-of-cost IT courses. Affiliated by the Maharashtra State Board of Vocation Education Examination (MSBVEE), there are six-monthly certificate courses offered by STI. These are: Servicing and Repairing of Diesel Engine; Automobile Electrical & Electronics Mechanic; and Road Construction, culminated with an examination under the Maharashtra State Board. More courses will get added in a phased manner, besides a special wing being incorporated for female students.

The students will be provided orientation through workshops, followed by actual induction being conducted at SIIL's offices. The move is aimed towards enriching the knowledge of students and enabling them to gain the required expertise in their respective domain. Upon successful completion of their course, the candidates will get absorbed within SIIL's corporate workforce.

According to Mr. Sharma, SIIL's endeavour through such initiatives is to actively contribute towards the social and economic development of communities it operates in. "Our activities are suitably designed to build individual capabilities, thereby creating a sustainable way of life for the weaker sections and positively impacting their lives," said Mr. Sharma.

The SIIL management maintains that its CSR policy continues to be to function as a responsible corporate citizen, while discharging its social responsibilities towards stakeholders. Through its CSR initiatives, SIIL remains committed to raise India's human development index and fulfil its bit in eliminating the structural imbalances in the Indian economy.

- IR Connect Editorial Team


PHOENIX
ALDO

AWARDS & ACCOLADES

ABCI RECOGNISES PHOENIX MILLS' ANNUAL REPORT

The Dickenson Group-created Phoenix Mills Limited's Annual Report bags the ABCI's Silver Award for excellence in Annual and Corporate Reporting.

The Annual Report of Phoenix Mills Limited (PML) for FY2011-12, created and produced by Dickenson Intellinetics Pvt. Ltd., recently bagged the Silver Award by the Association of Business Communicators of India (ABCI). The Annual Report was themed "All Roads Lead to Phoenix Marketcity". ABCI is known for recognising excellence in corporate reporting. It is a platform widely acclaimed for rewarding the best practices in annual reporting and showcasing how a well-crafted annual report helps an organisation in its communications strategy.

LEVERAGING SYNERGIES

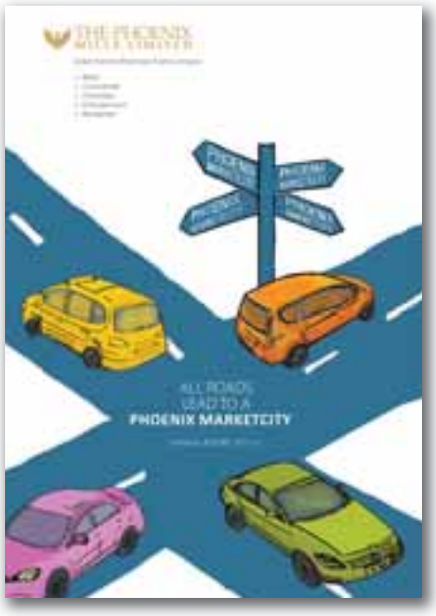
The Dickenson Group, which provides services in corporate communications, investor relations and financial public relations, has been collaborating with PML to create its annual report for four years. Due to the association, the Dickenson Group and PML's management have managed to develop a high degree of comfort in delegating their efforts of communicating the brand and its financial performance effectively to investors. What also takes this association to a different level altogether is the great amount of creative freedom PML grants to Dickenson while producing the Annual Report.

This comfort factor emanates from PML's Investor Relations (IR) Team and Dickenson's Communications Team working seamlessly towards a common goal – that of producing a commendable annual report year after year. PML's IR Team is one of the most pro-active, assisting Dickenson fully in

ensuring their communication strategy pertaining to investors is crisp and direct.

ANNUAL REPORTING PROCESS

PML's IR Team and Dickenson Group commence operations on the making of the Annual Report nearly three months prior to the print deadline. A lot of energy is being invested on both the



sides to evolve and create a highly-compelling Report. PML being a real estate company, the Dickenson Group begins its Annual Report process by surveying trends in real estate internationally and in the domestic market. Besides, it also reviews Annual Reports of some top real estate companies in the U.S., Europe and Far East before setting standards for corporate reporting for the content, Key Performance Indicators (KPI) and the creatives of the Report.

Dickenson's Managing Director Mr. Manoj Saha receives ABCI's Silver Award for the FY2012 Annual Report of Phoenix Mills Ltd.

KEY DIFFERENTIATORS

A truly unique feature of PML's Annual Report has been the original Case Studies presented on some of its retailers. The Case Studies highlighted how PML orients its business processes to enhance the appeal of its retailers. After all, a key hallmark of PML has been its ability to attract strong global brands and an array of fine-dining and entertainment options, and also the retailers' strong affiliation for the Phoenix platform.

The Case Studies were an important aspect of the AR as every store has a story to tell. Each store creates its own unique space with exquisite designs, adding to the PML mall's overall beauty. Retailers set higher innovation standards harping on spatial configuration and use of colours to create the right ambience. The Case Studies showcased new trends in designing of each retail outlet within Phoenix Marketcities which help promote an enjoyable shopping experience and draw people into the space.

HIGH-QUALITY CONTENT

Another significant and attractive feature of the AR was that the entire content and management letters to shareholders based on interviews with senior management at PML have been of high quality and expression. What is also worth mentioning is the exhaustive and friendly Table of Contents page in the Report. The Report also tried to create clarity on various verticals and assets of PML, enabling stakeholders and investors to understand the company well. Further, a few pages in the Report

PML's Investor Relations Team is one of the most pro-active, assisting Dickenson fully in ensuring their communication strategy pertaining to investors is crisp and direct.

focus on PML's business model and its ensuing business plans – something very few Annual Reports tend to showcase, particularly in India.

> "The Dickenson Group is our valued partner and integral to our corporate communication efforts. For four years, the Dickenson team has ensured our strategies and opportunities are well understood, appreciated and valued by our constituents. They have been instrumental in helping us craft our corporate and marketing communications that have been award-winning and recognised as the industry's best," concurred Mr. Mihir Salot, Manager - Finance, Phoenix Mills Limited.

With years of providing corporate communication services to PML, the Dickenson-created Annual Report has become a sort of bell-whether for corporate reporting standards of realty firms in India. PML's Annual Report is always perceived as one of the best in the real estate space.

- IR Connect Editorial Team

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DICKENSON IR EVENTS

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