

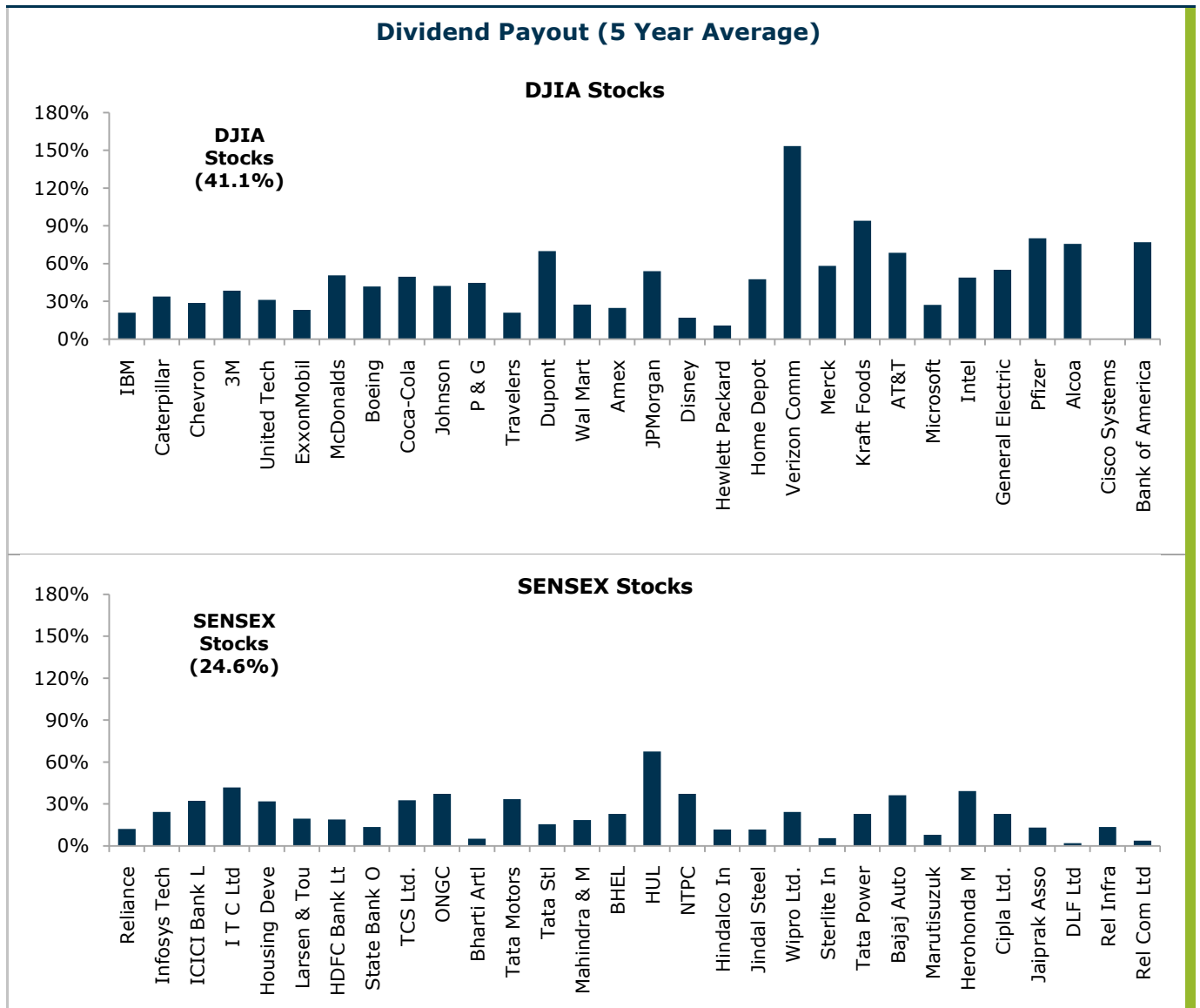
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White Paper

# Annex to A Macro Examination of Financial Reporting in India



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**EXHIBIT 1: Dividend Payout Ratio – 5 Year Average – for DJIA (US) and Sensex (India) Constituents – A Comparison**


Source: Evalueserve analysis based on data from Thomson One Banker

**EXHIBIT II: Dividend Payout by Merged Entities and Subsidiaries of Foreign Companies**

Dividend Payout by Merged Entities and Subsidiaries of Foreign Companies						
Company Name	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Average
Hindustan Unilever Limited	70.0%	68.7%			65.8%	68.2%
Maruti Suzuki	8.3%	8.2%	8.1%	8.2%	6.6%	7.9%
Cummins	43.1%	29.6%	28.0%	38.5%		34.8%

<b>Dividend Payout by Merged Entities and Subsidiaries of Foreign Companies</b>						
<b>Company Name</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Average</b>
GlaxoSmithKline Pharmaceuticals Ltd.	47.7%	55.7%	57.3%	50.0%	60.4%	54.2%
Nestle India Ltd.	78.0%	76.9%	63.2%	71.4%	57.1%	69.3%
Siemens	16.1%	11.6%	16.9%	23.9%	22.3%	18.1%
ABB Limited	12.5%	9.5%	8.5%	12.0%	67.0%	21.9%

Source: Evalueserve analysis based on data from Bloomberg

### **EXHIBIT III: Net Income to Total Cash Flow for Select MNC Stocks**

<b>Select Stocks</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Hindustan Unilever Limited	8.89		1.25	14.14
Maruti Suzuki India Limited	2.89	1.70	0.77	1.44
Cummins India Limited	6.31	10.55	22.47	18.80
GlaxoSmithKline Pharmaceuticals Limited	3.44	0.58	0.64	2.15
Nestle India Limited	18.84	5.54	5.03	17.37
Siemens Limited	2.40	1.31	1.91	1.87
ABB Limited	5.10	1.86	2.02	1.04
Average	6.84	3.59	4.87	8.12

Source: Evalueserve analysis based on data from Thomson One Banker

### **EXHIBIT IV: Net Income to Operating Cash Flow for Select MNC Stocks**

<b>Net Income to Operating Cash Flow</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Hindustan Unilever Limited	0.95		0.93	0.59
Maruti Suzuki India Limited	0.76	0.84	0.79	0.77
Cummins India Limited	1.14	1.05	1.79	0.70
GlaxoSmithKline Pharmaceuticals Limited	1.05	1.11	0.82	1.04
Nestle India Limited	0.80	0.74	0.71	0.79
Siemens Limited	50.56	1.00	1.44	0.71
ABB Limited	1.71	43.60	1.02	0.29

Source: Evalueserve analysis based on data from Thomson One Banker

**EXHIBIT V: EBITDA to Operating Cash Flow for Select MNC Stocks**

<b>EBITDA to Operating Cash Flow</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Hindustan Unilever Limited	1.11	1.25		1.20	0.82
Maruti Suzuki India Limited	1.30	1.25	1.48	1.59	1.34
Cummins India Limited	1.70	1.77	1.55	2.58	1.03
GlaxoSmithKline Pharmaceuticals Limited	1.95	1.64	1.70	1.27	1.60
Nestle India Limited	1.30	1.35	1.19	1.11	1.23
Siemens Limited	0.65	81.31	1.82	2.58	1.30
ABB Limited	2.04	2.74	71.33	1.74	0.78

Source: Evalueserve analysis based on data from Thomson One Banker

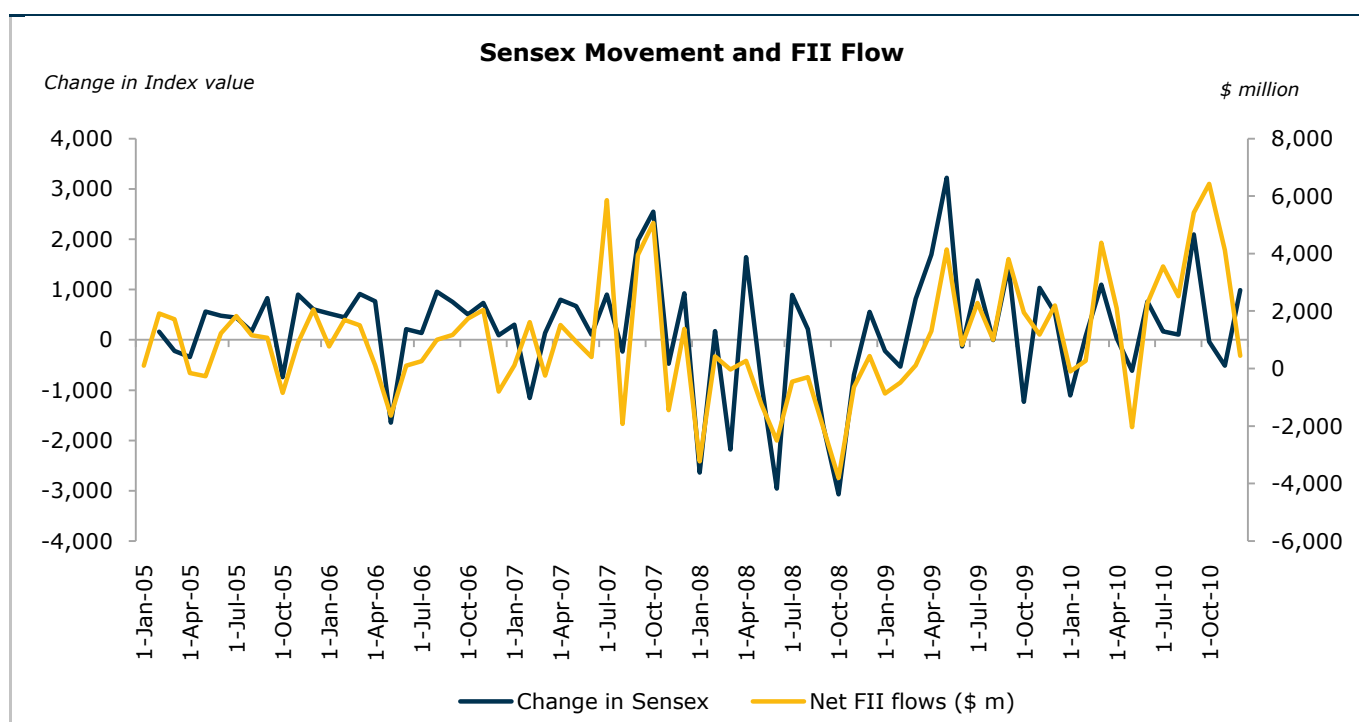
**EXHIBIT VI: Trading Activity for DJIA and Sensex Constituents: A Comparison**

<b>DJIA Stocks</b>	<b>Trading Value/Market Cap</b>	<b>Sensex Stocks</b>	<b>Trading Value/Market Cap</b>
3m Co	0.56%	<b>Bajaj Auto</b>	0.04%
Alcoa	0.56%	<b>BHEL</b>	0.04%
American Express	0.31%	<b>Bharti Airtel</b>	0.03%
AT&T	0.18%	<b>Cipla</b>	0.05%
Bank Of America	0.33%	<b>DLF</b>	0.15%
Boeing	0.31%	<b>HDFC Bank</b>	0.04%
Caterpillar	0.47%	<b>Hero Honda</b>	0.04%
Chevron Corp	0.23%	<b>Hindalco</b>	0.11%
Cisco	0.42%	<b>HUL</b>	0.02%
Coca Cola	0.18%	<b>HDFC</b>	0.06%
Du Pont	0.29%	<b>ICICI</b>	0.11%
Exxon Mobil	0.19%	<b>Infosys</b>	0.04%
GE	0.16%	<b>ITC</b>	0.02%
HP	0.25%	<b>Jai Prakash</b>	0.22%
Home Depot	0.30%	<b>Jindal Steel</b>	0.08%
Intel	0.51%	<b>L&amp;T</b>	0.10%
IBM	0.24%	<b>M&amp;M</b>	0.07%
J&J	0.18%	<b>Maruti</b>	0.07%
JPMC	0.27%	<b>NTPC</b>	0.02%

DJIA Stocks	Trading Value/Market Cap	Sensex Stocks	Trading Value/Market Cap
KRAFT Foods	0.22%	<b>ONGC</b>	0.01%
Mc Donalds	0.29%	<b>Rel Comm</b>	0.12%
Merck and Co	0.23%	<b>Rel Industries</b>	0.07%
Microsoft	0.33%	<b>Rel Infra</b>	0.37%
Pfizer	0.21%	<b>SBI</b>	0.11%
Proctor and Gamble	0.17%	<b>Sterlite</b>	0.09%
Travellers' Co	0.31%	<b>TCS</b>	0.03%
United Technologies	0.25%	<b>Tata Motors</b>	0.15%
Verizon	0.19%	<b>Tata Power</b>	0.06%
Wal-Mart	0.17%	<b>Tata Steel</b>	0.28%
Walt Disney	0.24%	<b>Wipro</b>	0.02%
Average Trading	0.25%	<b>Average Trading</b>	0.06%

Source: Evalueserve analysis based on data from Thomson Reuters

**EXHIBIT VII: FII Inflows Influence on Stock Market Sentiment**



Source: Evalueserve analysis based on data from SEBI and BSE