

# Sharda Cropchem

Refer to important disclosures at the end of this report

## Good quarter in a challenging environment; Upgrade to BUY

<b>CMP</b>	<b>Target Price</b>
<b>Rs 394</b> as of (May 10, 2018)	<b>Rs 509 (▲)</b> 12 months
<b>Rating</b>	<b>Upside</b>
<b>BUY (▲)</b>	<b>29.1 %</b>

- Sharda Cropchem's revenue grew at a robust pace of 29% yoy to Rs7.7bn, driven by healthy volume growth of 18% yoy, favorable price/product mix change of 6% and favorable FX impact of 5%. NAFTA, RoW, Europe and LATAM regions reported 37%, 33%, 23% and 13% yoy growth, respectively.
- Despite rising cost pressure from China, the company has managed to restrict the impact on gross margin, which contracted by 120bps yoy to 34.7%. EBITDA margin contracted by 160bps yoy to 25.7% and EBITDA grew by 21.5% yoy to Rs1.9bn.
- The management has guided for revenue growth of 15-20% in FY19E, primarily underpinned by Europe and NAFTA regions. Situation in China is expected to ease out in the coming months as per the management, which will lead to improvement in gross margin in FY19.
- We cut FY19E EPS by 3% to Rs23.5 to factor in higher interest cost but raise FY20E EPS by 3% to Rs28.3, as we anticipate improvement in product mix and lower interest cost. We raise our TP to Rs509 (from Rs494 earlier) based on 18x FY20E EPS. Upgrade to BUY.

### Healthy volume growth and better product mix propel overall performance

Sharda reported robust revenue growth of 29% yoy at Rs7.7bn, which was better than our estimate of Rs6.8bn on the back of healthy volume growth of 18% yoy, favorable price/product mix change of 6% and favorable currency impact of 5%. Agrochemicals revenue increased by 28% yoy to Rs6.9bn, led by 37%/33%/23%/19% yoy growth in NAFTA/ROW/Europe/LATAM. Despite rising cost pressure from China, the company managed to restrict the impact on gross margin on the back of a better product mix. Gross margin contracted by 120bps yoy to 34.7% as against our estimate of 32%. EBITDA margin contracted by 160bps yoy to 25.7% and EBITDA grew by 21.5% yoy to Rs1.9bn (above our estimate of Rs1.6bn). PBT increased by 19% yoy to Rs1.7bn and RPAT increased by 15% yoy to Rs1.1bn (above our estimate of Rs1.0bn).

### NAFTA, Europe to drive growth; Upgrade to BUY

The management has guided for revenue growth of 15-20% in FY19E while EBITDA margin will be sustained in the range of 19-23%. Over the last two years (FY17-18), NAFTA has been the best performing region for the company, clocking 57% CAGR on the back of new registrations. NAFTA will continue to be a major growth driver on account of a robust product portfolio and improving market conditions. New registrations will also aid in gross margin improvement. Promoters have lent Rs1.5bn to the company as unsecured loan in order to fund the increase in working capital requirement, which shows the promoter's faith in the business. The company will be pay 10% interest on this loan and the management is confident of repaying the loan by Dec'18. We cut our FY19E EPS by 3% to Rs23.5 to factor in higher interest cost. However, we raise our FY20E EPS by 3% to Rs28.3, as we anticipate improvement in product mix due to higher contribution from new registrations and lower interest cost. We raise our TP to Rs509 (from Rs494 earlier) based on 18x FY20E EPS. Upgrade rating to BUY from ACCUMULATE as the recent correction in the stock price offers attractive entry point.

### Financial Snapshot (Consolidated)

(Rs mn)	FY16	FY17	FY18	FY19E	FY20E
Net Sales	12,221	13,992	17,134	19,740	22,869
EBITDA	2,714	3,124	3,454	3,948	4,574
EBITDA Margin (%)	22.2	22.3	20.2	20.0	20.0
APAT	1,753	1,903	1,908	2,122	2,550
EPS (Rs)	19.4	21.1	21.1	23.5	28.3
EPS (% chg)	42.0	8.6	0.3	11.2	20.2
ROE (%)	23.9	21.5	18.2	17.5	18.5
P/E (x)	20.3	18.7	18.6	16.8	13.9
EV/EBITDA (x)	12.6	10.8	10.4	8.8	7.7
P/BV (x)	4.4	3.7	3.1	2.8	2.4

Source: Company, Emkay Research

### Change in Estimates

EPS Chg FY19E/FY20E (%)	(3)/3
Target Price change (%)	3.0
Target Period (Months)	12
Previous Reco	ACCUMULATE

### Emkay vs Consensus

EPS Estimates		
	FY19E	FY20E
Emkay	23.5	28.3
Consensus	24.3	28.5
Mean Consensus TP (12M)	Rs 484	

### Stock Details

Bloomberg Code	SHCR IN
Face Value (Rs)	10
Shares outstanding (mn)	90
52 Week H/L	570 / 360
M Cap (Rs bn/USD bn)	36 / 0.53
Daily Avg Volume (nos.)	66,594
Daily Avg Turnover (US\$ mn)	0.4

### Shareholding Pattern Mar '18

Promoters	74.8%
FIIIs	7.9%
DIIIs	12.9%
Public and Others	4.5%

### Price Performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	-	3	(11)	(26)
<b>Rel. to Nifty</b>	(3)	-	(14)	(35)

### Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

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**Exhibit 1: Actual V/s Estimates**

Rs mn	Actual	Emkay Estimate	Consensus Estimate (Bloomberg)	% Variation		Comment
				Emkay	Consensus	
Net Sales	7,687	6,841	6,939	12.4%	10.8%	Above our as well as consensus estimates
EBITDA	1,975	1,642	1,635	20.3%	20.8%	Above our as well as consensus estimates
EBITDA %	25.7%	24.0%	23.6	+170 bps	+210 bps	Above our as well as consensus estimates
APAT	1,132	1,026	982	10.4%	15.3%	Above our as well as consensus estimates

Source: Company, Emkay Research, Bloomberg

**Exhibit 2: Key Assumptions**

Parameter	FY16	FY17	FY18	FY19E	FY20E
Agrochemical Revenue Growth	19%	17%	24%	17%	17%
Non Agrochemical Revenue Growth	-3%	0%	16%	5%	5%
EBITDA Margin	22.2%	22.3%	20%	20%	20%
Consolidated Tax Rate	33%	30%	34%	34%	34%

Source: Company, Emkay Research

**Raise earnings by 3% for FY20E to factor in higher contribution from new registrations**

The management has indicated that the situation in China has been improving and is likely to stabilize in the coming months, as availability of Raw Material (RM) improves. We increase our FY19E/20E EBITDA margin assumptions by 50bps to 20% each, as we anticipate the company to benefit from higher contribution from new registrations and improvement in RM availability. We have raised our revenue estimates by 4%/5% for FY19/20E to factor in better-than-expected Q4FY18 growth. We cut our EPS estimates by 3% for FY19E to factor in higher interest cost but raise our FY20E EPS by 3% to Rs28.3, as we expect the interest cost to fall as the company is likely to repay debt by Q3FY19E.

**Exhibit 3: Revised Estimates**

Rs mn	FY19E			FY20E		
	Old Estimates	New Estimates	% Change	Old Estimates	New Estimates	% Change
Net sales	18,951	19,740	4%	21,750	22,869	5%
EBITDA	3,695	3,948	7%	4,241	4,574	8%
EBITDA %	19.5%	20.0%	+50 bps	19.5%	20.0%	+50 bps
APAT	2,182	2,122	-3%	2,477	2,550	3%
AEPS	24.2	23.5	-3%	27.5	28.3	3%

Source: Company, Emkay Research

## Conference Call Highlights

### Healthy volume growth across all the regions

Sharda reported 18% yoy volume growth for Q4FY18 and 6.2% yoy growth in price & product mix on the back of strong performance from Europe and NAFTA regions. Benefit from a favourable currency was 5%. Agrochemicals revenue in NAFTA grew at a strong pace of 37% yoy, led by an increase in new registrations. Revenue growth in Europe and LATAM stood at 23% yoy and 19% yoy, respectively, while revenue in ROW increased by 33% yoy. Region-wise gross margin break-up for Europe/NAFTA/LATAM/ROW stood at 45%/25%/20%/22% for FY18 as against 43%/30%/30%/29% for FY17.

#### Exhibit 4: Revenue Contribution - Agrochemicals (91% of total revenue in Q4FY18)

(Rs mn)	Q4FY18	% Contribution	Q4FY17	% Contribution	% yoy Change
Europe	3,634	52%	2,945	54%	23%
NAFTA	2,194	31%	1,601	29%	37%
LATAM	482	7%	404	7%	19%
ROW	685	10%	514	9%	33%
<b>Total Agrochemicals Revenues</b>	<b>6,995</b>	<b>100%</b>	<b>5,463</b>	<b>100%</b>	<b>28%</b>

Source: Company, Emkay Research

### Higher RM costs continue to dent margins

RM inflation continues to be elevated, which in turn is putting pressure on the company's gross margin (down by 123bps yoy in Q4FY18 at 34.7%). Consequently, EBITDA margin contracted by 163 bps yoy to 25.7%. The management stated that the situation in China has started to show some signs of revival, with better availability of RM. This should stabilise prices in the coming quarters. However, we believe that pressure on margins is likely to persist for the next few quarters, as the innovators are not able to take price hikes due to high inventory in the system, particularly in Europe & LATAM.

### Registrations lower yoy as registration of low-margin products not renewed

Sharda's product registrations stood at 2,157 as on 31<sup>st</sup> Mar'18 compared to 2,133 as on Dec'17 and 2,174 as on 31<sup>st</sup> Mar'17. The company has 978 registrations in the pipeline across geographies. Total revenue contribution from the Top 10 molecules reduced to 50% in FY18 from 52.7% in FY17. Further, 4 new molecules entered the Top 10 molecules' list in FY18.

#### Exhibit 5: Region-wise break-up of current registrations and registration pipeline

(Nos)	Current	Pipeline
Europe	1049	625
NAFTA	191	112
LATAm	704	119
ROW	213	122
<b>Total</b>	<b>2157</b>	<b>978</b>

Source: Company, Emkay Research

### Net working capital increased by 24 days in FY18; short-term borrowings rise to Rs1.7bn

Net working capital increased to 101 days as on March 31<sup>st</sup>, 2018 from 77 days during the corresponding period last year. Inventory days increased sharply to 87 days from 58 days in FY17, as the company had built inventory to protect from further price escalation and to mitigate product shortages. This inventory is expected to be liquidated in the next two quarters. Receivable days decreased by 2 days to 167 days while creditor days increased by 3 days to 153 days. To fund higher working capital, the company has taken a short-term loan of Rs1.5bn from the promoters. Total borrowings increased to Rs1.7bn from Rs2.4mn as on Mar'17. The management is confident of repaying the short-term loan by Dec'18, as the inventory gets liquidated. The capex guidance for FY19/20E is at Rs2-2.2bn.

**Exhibit 6: Quarterly Result Summary (Consolidated)**

Rs mn	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	YoY (%)	QoQ (%)	FY17	FY18	YoY (%)
Revenue	5,949	3,411	2,782	3,255	7,687	29.2	136.2	13,994	17,134	22.4
Expenditure	4,324	2,789	2,281	2,898	5,711	32.1	97.1	10,870	13,680	25.8
as % of sales	72.7	81.8	82.0	89.0	74.3	2.2	(16.6)	77.7	79.8	
Consumption of RM	3,812	2,309	1,794	2,316	5,019	31.7	116.8	8,974	11,437	27.5
as % of sales	64.1	67.7	64.5	71.1	65.3	1.9	(8.2)	64.1	66.8	
Employee Cost	91	77	69	79	111	21.2	39.3	289	335	16.1
as % of sales	1.5	2.2	2.5	2.4	1.4	(6.2)	(41.0)	2.1	2.0	
Other expenditure	421	404	418	503	582	38.2	15.6	1,608	1,907	18.6
as % of sales	7.1	11.9	15.0	15.5	7.6	7.0	(51.1)	11.5	11.1	
EBITDA	1,626	622	501	357	1,975	21.5	453.9	3,124	3,454	10.6
Depreciation	193	155	176	183	185	(4.1)	1.2	563	699	24.3
EBIT	1,432	467	325	173	1,790	25.0	933.2	2,561	2,755	7.6
Other Income	16	148	14	27	-24	(256.2)	(189.8)	157	166	5.6
Interest	0	0	1	2	46	13,428.6	2,828.6	1	49	7601.1
PBT	1,447	615	339	199	1,719	18.8	764.6	2,717	2,872	5.7
Total Tax	461	183	95	100	587	27.4	488.3	814	964	18.5
Reported PAT before MI	987	432	244	99	1,132	14.8	1,042.7	1,903	1,908	0.2
(Profit)/loss from JV's/Ass/MI	1	0	0	0	0	(100.0)	-	1	0	(99.9)
Reported PAT after MI	986	432	244	99	1,132	14.8	1,042.7	1,902	1,908	0.3
Forex Gain/(Loss)	53	105	-1	24	0	(100.0)	(100.0)	32	128	301.9
Extra ordinary items	53	105	-1	24	0	(100.0)	(100.0)	32	128	301.9
APAT after MI	933	327	245	75	1,132	21.4	1,408.7	1,870	1,780	(4.8)
Reported EPS	11.0	4.8	2.7	1.1	12.6	14.8	1,042.7	21.1	21.2	0.3
<b>Margins (%)</b>						<b>(bps)</b>	<b>(bps)</b>	<b>(bps)</b>		
Gross Margins	35.9	32.3	35.5	28.9	34.7	-123	585	35.9	33.2	-263
EBIDTA	27.3	18.2	18.0	11.0	25.7	-163	1,474	22.3	20.2	-216
EBIT	24.1	13.7	11.7	5.3	23.3	-79	1,796	18.3	16.1	-222
EBT	24.3	18.0	12.2	6.1	22.4	-196	1,626	19.4	16.8	-266
PAT	16.6	12.7	8.8	3.0	14.7	-186	1,169	13.6	11.1	-247
Effective Tax rate	33.0	35.9	27.9	57.1	34.1	110	-2,293	30.3	35.1	483

Source: Company, Emkay Research

**Key Financials (Consolidated)****Income Statement**

Y/E Mar (Rs mn)	FY16	FY17	FY18	FY19E	FY20E
<b>Net Sales</b>	<b>12,221</b>	<b>13,992</b>	<b>17,134</b>	<b>19,740</b>	<b>22,869</b>
<b>Expenditure</b>	<b>9,507</b>	<b>10,869</b>	<b>13,680</b>	<b>15,792</b>	<b>18,295</b>
<b>EBITDA</b>	<b>2,714</b>	<b>3,124</b>	<b>3,454</b>	<b>3,948</b>	<b>4,574</b>
Depreciation	351	563	699	800	900
<b>EBIT</b>	<b>2,364</b>	<b>2,561</b>	<b>2,755</b>	<b>3,148</b>	<b>3,674</b>
Other Income	255	157	166	180	200
Interest expenses	6	0	49	113	10
<b>PBT</b>	<b>2,613</b>	<b>2,718</b>	<b>2,872</b>	<b>3,215</b>	<b>3,864</b>
Tax	861	814	964	1,093	1,314
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	1	(1)	0	0	0
<b>Reported Net Income</b>	<b>1,753</b>	<b>1,903</b>	<b>1,908</b>	<b>2,122</b>	<b>2,550</b>
<b>Adjusted PAT</b>	<b>1,753</b>	<b>1,903</b>	<b>1,908</b>	<b>2,122</b>	<b>2,550</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY16	FY17	FY18	FY19E	FY20E
Equity share capital	902	902	902	902	902
Reserves & surplus	7,206	8,696	10,446	11,935	13,852
<b>Net worth</b>	<b>8,108</b>	<b>9,598</b>	<b>11,348</b>	<b>12,837</b>	<b>14,754</b>
<b>Minority Interest</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Loan Funds</b>	<b>20</b>	<b>2</b>	<b>1,697</b>	<b>497</b>	<b>497</b>
Net deferred tax liability	389	774	758	758	758
<b>Total Liabilities</b>	<b>8,518</b>	<b>10,375</b>	<b>13,806</b>	<b>14,094</b>	<b>16,011</b>
<b>Net block</b>	<b>1,302</b>	<b>2,099</b>	<b>2,263</b>	<b>5,062</b>	<b>6,412</b>
<b>Investment</b>	<b>820</b>	<b>607</b>	<b>221</b>	<b>221</b>	<b>221</b>
<b>Current Assets</b>	<b>8,988</b>	<b>11,433</b>	<b>16,106</b>	<b>15,478</b>	<b>17,160</b>
Cash & bank balance	649	1,080	1,010	1,085	623
Other Current Assets	27	750	873	873	873
<b>Current liabilities &amp; Provision</b>	<b>4,690</b>	<b>6,088</b>	<b>8,383</b>	<b>8,917</b>	<b>10,032</b>
<b>Net current assets</b>	<b>4,298</b>	<b>5,345</b>	<b>7,722</b>	<b>6,561</b>	<b>7,128</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>8,518</b>	<b>10,375</b>	<b>13,806</b>	<b>14,094</b>	<b>16,011</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY16	FY17	FY18	FY19E	FY20E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>2,613</b>	<b>2,718</b>	<b>2,872</b>	<b>3,215</b>	<b>3,864</b>
Other Non-Cash items	(229)	(77)	0	0	0
Chg in working cap	(33)	(749)	(2,447)	1,236	(1,029)
<b>Operating Cashflow</b>	<b>1,998</b>	<b>1,867</b>	<b>2,023</b>	<b>4,272</b>	<b>2,431</b>
Capital expenditure	(1,411)	(1,423)	(3,599)	(2,250)	(2,250)
<b>Free Cash Flow</b>	<b>587</b>	<b>444</b>	<b>(1,576)</b>	<b>2,022</b>	<b>181</b>
Investments	12	(32)	386	0	0
Other Investing Cash Flow	0	0	0	0	0
<b>Investing Cashflow</b>	<b>(1,203)</b>	<b>(1,036)</b>	<b>(3,213)</b>	<b>(2,250)</b>	<b>(2,250)</b>
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(292)	(19)	1,697	(1,200)	0
Dividend paid (incl tax)	(105)	(105)	(105)	(105)	(105)
Other Financing Cash Flow	(450)	(276)	(423)	(529)	(528)
<b>Financing Cashflow</b>	<b>(849)</b>	<b>(401)</b>	<b>1,120</b>	<b>(1,947)</b>	<b>(643)</b>
<b>Net chg in cash</b>	<b>(54)</b>	<b>431</b>	<b>(70)</b>	<b>75</b>	<b>(462)</b>
Opening cash position	703	649	1,080	1,010	1,085
<b>Closing cash position</b>	<b>649</b>	<b>1,080</b>	<b>1,010</b>	<b>1,085</b>	<b>623</b>

Source: Company, Emkay Research

**Key Ratios**

<b>Profitability (%)</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19E</b>	<b>FY20E</b>
EBITDA Margin	22.2	22.3	20.2	20.0	20.0
EBIT Margin	19.3	18.3	16.1	15.9	16.1
Effective Tax Rate	32.9	29.9	33.6	34.0	34.0
Net Margin	14.3	13.6	11.1	10.8	11.2
ROCE	33.4	28.8	24.2	23.9	25.7
ROE	23.9	21.5	18.2	17.5	18.5
RoIC	52.8	45.3	35.9	32.3	31.3

<b>Per Share Data (Rs)</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19E</b>	<b>FY20E</b>
EPS	19.4	21.1	21.1	23.5	28.3
CEPS	23.3	27.3	28.9	32.4	38.2
BVPS	89.9	106.4	125.8	142.3	163.5
DPS	1.0	1.0	1.0	1.0	1.0

<b>Valuations (x)</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19E</b>	<b>FY20E</b>
PER	20.3	18.7	18.6	16.8	13.9
P/CEPS	16.6	14.2	13.4	12.0	10.1
P/BV	4.4	3.7	3.1	2.8	2.4
EV / Sales	2.8	2.4	2.1	1.8	1.5
EV / EBITDA	12.6	10.8	10.4	8.8	7.7
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.3

<b>Gearing Ratio (x)</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19E</b>	<b>FY20E</b>
Net Debt/ Equity	(0.2)	(0.2)	0.0	(0.1)	0.0
Net Debt/EBIDTA	(0.5)	(0.5)	0.1	(0.2)	(0.1)
Working Cap Cycle (days)	109.0	111.3	143.0	101.3	103.8

<b>Growth (%)</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19E</b>	<b>FY20E</b>
Revenue	15.0	14.5	22.5	15.2	15.9
EBITDA	57.2	15.1	10.6	14.3	15.9
EBIT	58.3	8.3	7.6	14.3	16.7
PAT	42.0	8.6	0.3	11.2	20.2

<b>Quarterly (Rs mn)</b>	<b>Q4FY17</b>	<b>Q1FY18</b>	<b>Q2FY18</b>	<b>Q3FY18</b>	<b>Q4FY18</b>
Revenue	5,949	3,411	2,782	3,255	7,687
EBITDA	1,626	622	501	357	1,975
<b>EBITDA Margin (%)</b>	<b>27.3</b>	<b>18.2</b>	<b>18.0</b>	<b>11.0</b>	<b>25.7</b>
PAT	933	327	245	75	1,132
<b>EPS (Rs)</b>	<b>10.4</b>	<b>3.6</b>	<b>2.7</b>	<b>0.8</b>	<b>12.6</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Mar-17</b>	<b>Jun-17</b>	<b>Sep-17</b>	<b>Dec-17</b>	<b>Mar-18</b>
Promoters	74.8	74.8	74.8	74.8	74.8
FIs	5.9	7.3	7.6	7.8	7.9
DIs	13.9	12.7	12.6	12.7	12.9
Public and Others	5.4	5.3	5.0	4.7	4.5

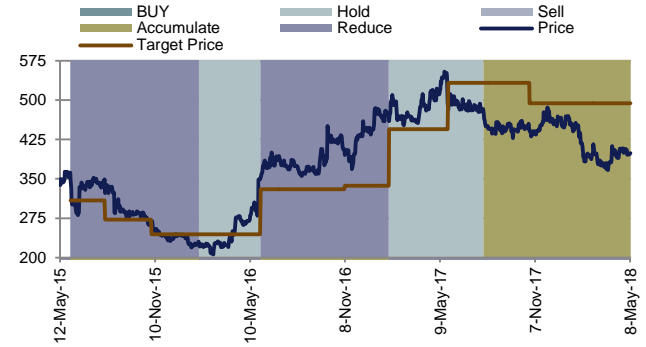
Source: Capitaline

## RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
29-Jan-18	436	494	12m	Accumulate	Pratik Tholiya
27-Oct-17	441	494	12m	Accumulate	Sumant Kumar
31-Jul-17	473	533	12m	Accumulate	Sumant Kumar
24-May-17	482	533	12m	Hold	Sumant Kumar
31-Jan-17	460	445	12m	Hold	Sumant Kumar
9-Dec-16	431	337	12m	Reduce	Rohan Gupta
7-Nov-16	395	337	12m	Reduce	Rohan Gupta
8-Aug-16	374	330	12m	Reduce	Rohan Gupta
29-Jul-16	386	330	12m	Reduce	Rohan Gupta
30-May-16	353	330	12m	Reduce	Rohan Gupta
18-May-16	305	244	12m	Hold	Rohan Gupta
25-Apr-16	265	244	12m	Hold	Rohan Gupta
4-Mar-16	228	244	12m	Hold	Rohan Gupta
18-Feb-16	226	244	12m	Hold	Rohan Gupta
2-Feb-16	227	244	12m	Hold	Rohan Gupta
15-Jan-16	226	244	12m	Reduce	Rohan Gupta
24-Dec-15	244	244	12m	Reduce	Rohan Gupta
30-Nov-15	240	244	12m	Reduce	Rohan Gupta
3-Nov-15	266	244	12m	Reduce	Rohan Gupta
20-Oct-15	280	272	12m	Reduce	Rohan Gupta
6-Aug-15	323	272	12m	Reduce	Rohan Gupta
1-Jun-15	348	309	12m	Reduce	Rohan Gupta

Source: Company, Emkay Research

## RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

## Emkay Rating Distribution

BUY	Expected total return (%) (Stock price appreciation and dividend yield) of over 25% within the next 12-18 months.
ACCUMULATE	Expected total return (%) (Stock price appreciation and dividend yield) of over 10% within the next 12-18 months.
HOLD	Expected total return (%) (Stock price appreciation and dividend yield) of upto 10% within the next 12-18 months.
REDUCE	Expected total return (%) (Stock price depreciation) of upto (-) 10% within the next 12-18 months.
SELL	The stock is believed to underperform the broad market indices or its related universe within the next 12-18 months.

Completed Date:

Dissemination Date:

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