Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

Sharda Cropchem (SHCR IN)

Rating: ACCUMULATE | CMP: Rs421 | TP: Rs470

October 25, 2023

Q2FY24 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	470		540	
Sales (Rs.m)	41,972	45,666	43,391	47,730
% Chng.	*(3.3)*	*(4.3)*		
EBITDA (Rs.m)	5,967	7,373	6,609	8,195
% Chng.	*(9.7)*	*(10.0)*		
EPS (Rs.)	26.2	32.5	30.7	38.3
% Chng.	*(14.7)*	*(15.1)*		

Key Financials - Standalone

Y/e Mar	FY23	FY24E	FY25E	FY26E
Sales (Rs. m)	40,452	41,972	45,666	50,232
EBITDA (Rs. m)	7,007	5,967	7,373	9,395
Margin (%)	*17.3*	*14.2*	*16.1*	*18.7*
PAT (Rs. m)	3,420	2,473	3,048	3,511
EPS (Rs.)	37.9	27.4	33.8	38.9
Gr. (%)	*(2.1)*	*(27.7)*	*23.3*	*15.2*
DPS (Rs.)	6.0	5.0	5.0	6.0
Yield (%)	*1.4*	*1.2*	*1.2*	*1.4*
RoE (%)	*16.5*	*10.6*	*12.0*	*12.5*
RoCE (%)	*21.6*	*12.7*	*14.3*	*15.2*
EV/Sales (x)	0.9	0.9	0.8	0.7
EV/EBITDA (x)	5.1	6.3	4.9	3.5
PE (x)	11.1	15.4	12.5	10.8
P/BV (x)	1.7	1.6	1.4	1.3

Key Data	SHCR.BO | SHCR IN
52-W High / Low	Rs.580 / Rs.369
Sensex / Nifty	64,572 / 19,282
Market Cap	Rs.38bn/ $ 457m
Shares Outstanding	90m
3M Avg. Daily Value	Rs.91.06m

Shareholding Pattern (%)

Promoter's	74.82
Foreign	2.01
Domestic Institution	12.29
Public & Others	10.87
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.9)	(6.8)	(5.5)
Relative	(0.7)	(13.9)	(13.2)

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Subdued results; near term outlook bleak.!!

Quick Pointers:

- Volume/Price growth of +20%/-45% YoY; FX up 5.0% YoY in 2QFY24.
- Spent Rs2.2bn capex in 1HFY24; full year capex is likely to be around Rs4bn.

We trim our FY24/25/FY26E estimates by 11%/12%/12% and revise TP to Rs470 (earlier Rs540) based on 12XFY26 EPS, citing near-term pressures on both revenue & margin led by adverse weather condition in key geographies plus high inventory concerns at manufacturer & distributor levels. Sharda Cropchem (SHCR) reported subdued results with revenue decline of 20% YoY to Rs5.8bn (PLe Rs7.9bn), led by volume/price growth of +20%/-45%YoY partially aided by positive FX variance of 5.0% YoY. Gross margins contracted 230bps YoY to 25.1% largely led by a) high cost inventory provisions of Rs130mn; b) higher sales return of Rs700mn; and c) acute pressure on price realizations (declined to the tune of 35-40%) particularly in the NAFTA region. Lower GM coupled with higher opex up 570bps YoY has resulted in EBITDA contraction at Rs349mn as against Rs1.4bn in 2QFY23 (incl. IU&AD write-off of Rs28mn in 2QFY24 v/s Rs15mn in 2QFY23). Maintain 'ACCUMULATE' rating.

- **Global Agrochemical industry continues to be under immense pressure:** SCHR posted revenue decline of 20% YoY to Rs5.8bn (PLe Rs7.9bn) led by subdued performance across all business segments. Agrochemicals/Non-agrochemicals revenue declined 24%/4% YoY to Rs4.4bn/Rs1.4bn. Subdued performance in agrochemicals segment was largely on the back of lower price realizations across Europe, NAFTA and LATAM markets due to higher channel inventory particularly from China. On the non-agrochemicals segment Europe and LATAM resulted in revenue decline of 28%/20% YoY, while NAFTA and ROW reported growth of 4%/10% YoY.

- **High cost inventory & high sales return led to gross margin contraction:** Gross margins contracted by 230bps YoY to 25.1% largely led by immense pressure on price realizations (particularly in the NAFTA region) coupled with provisioning of high cost inventory (Rs130mn impact) and higher sales return of Rs700Mn in 2QFY24. Lower gross profit coupled with higher other expenses (up 570bps YoY, incl. IU&AD write-off of Rs28mn in 2QFY24 vs Rs15mn in 2QFY23) resulted in EBITDA contraction at Rs349mn as against Rs1.4bn in 2QFY23. PAT loss stood at Rs276mn.

- **Capex:** SCHR had spent Rs2.2bn capex, largely towards product registrations across geographies. Management highlighted that till Sep'23 around 2,885 registrations have been procured and additionally filed 1,130 applications globally pending at different stages. For full year, management guided capex of ~Rs4.0bn.

Other Key Highlights:

- **Revenue Breakup:**
  - Agrochemicals- All regions posted revenue decline**.** Agrochemicals revenues declined by 3%/42%/22%/39% YoY in Europe/ NAFTA/ LATAM/ RoW.
  - Non-agrochemicals- Europe and LATAM revenue declined 28%/20% YoY while NAFTA and ROW reported growth of 4%/10% YoY.
- **Category-wise Revenue break-up in 2QFY24:** Herbicide /Fungicide /Insecticides contributed 55%/29%/16% to overall revenues, as against 56%/22%/22% respectively in the same period last year. For 2QFY24, category-wise revenue stood at Rs2.42bn/Rs1.3bn/Rs690mn -25%/+4%/-47% YoY respectively.
- **Region-wise gross margins:** For 2QFY24 Europe /NAFTA /LATAM /RoW stood at 34%/5%/28%/45% as against 29%/26%/24%/30%respectively in the same period last year.
- **Net Working Capital stretched** stood at 120 days up 29 days YoY in 2QFY24 as against 91 days in 2QFY23 largely led by (a) increase in inventory/receivable days by 23 and 7 days respectively. While payable days remained flat YoY at 70 days in 2QFY24. Further, company had sales return of ~Rs700mn.

Exhibit 1: Q2FY24 Result Overview (Rs mn)

Y/e March	Q2FY24	Q2FY23	YoY gr. (%)	Q1FY24	QoQ gr. (%)	1HFY24	1HFY23	YoY gr. (%)
Revenue	**6,378**	**8,245**	***(22.7)***	**14,818**	***(57.0)***	***12,185***	***15,460***	***(21.2)***
Raw material costs	5,820	6,151	*(5.4)*	10,139	*(42.6)*	*10,173*	*11,395*	*(10.7)*
Gross profit	**557**	**2,094**	***(73.4)***	**4,679**	***(88.1)***	**2,012**	**4,065**	***(50.5)***
Employee costs	92	85	*8.4*	152	*(39.5)*	*184*	*170*	*8.0*
Other expenses	1,153	1,048	*10.0*	1,464	*(21.2)*	*2,167*	*1,897*	*14.3*
Total operating expenses	1,245	1,133	*9.9*	1,615	*(22.9)*	2,351	2,067	*13.7*
EBITDA	**(688)**	**961**	***(171.5)***	**3,064**	***(122.4)***	**(339)**	**1,998**	***(116.9)***
Depreciation	703	547	*28.4*	677	*3.9*	*1,442*	*1,151*	*25.3*
EBIT	**(1,390)**	**414**	***(436.0)***	**2,387**	***(158.2)***	**(1,781)**	**847**	***(310.3)***
Less: Interest Expense	13	8	*70.0*	25	*(47.9)*	*101*	*830*	*(87.8)*
Add : Other Income	355	(230)	*(254.5)*	189	*NA*	*496*	*305*	*62.7*
Profit Before Tax	**(1,048)**	**176**	***(694.3)***	**2,551**	***(141.1)***	**(1,387)**	**322**	***(530.4)***
Less: Provision for Tax	(162)	(50)	*223.2*	563	*NA*	*(224)*	*(25)*	*779.9*
Adjusted Profit	**(886)**	**226**	***(491.5)***	**1,989**	***(144.6)***	**(1,162)**	**348**	***(434.3)***
Exceptional items	0	0	*NA*	0	*NA*	-	-	
Reported Profit	**(886)**	**226**	***(491.5)***	**1,989**	***(144.6)***	**(1,162)**	**348**	***(434.3)***
Equity capital (FV Rs 10)	902	902		902		902	902	
No. of Diluted shares outstanding (mn)	90	90		90		90	90	
Adjusted Diluted EPS	**(9.8)**	**2.5**	***(491.5)***	**22.0**	***(144.6)***	**(12.9)**	**3.9**	***(434.3)***
As % of revenues								
COGS	91.3	74.6		68.4		83.5	73.7	
Gross profit	8.7	25.4		31.6		16.5	26.3	
Employee costs	1.4	1.0		1.0		1.5	1.1	
Other expenses	18.1	12.7		9.9		17.8	12.3	
Total operating expenses	19.5	13.7		10.9		19.3	13.4	
EBITDA	(10.8)	11.7		20.7		(2.8)	12.9	
Net profit	(13.9)	2.7		13.4		(9.5)	2.2	

Source: Company, PL

Exhibit 2: Revenues declined across segments

Sales Breakup	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Agrochemicals	5,029	7,232	12,432	6,149	5,756	8,419	13,156	4,753	4,404
Non - Agrochemicals	1,399	1,566	1,913	2,097	1,459	1,754	1,662	1,624	1,403
Total	**6,428**	**8,798**	**14,345**	**8,245**	**7,215**	**10,173**	**14,818**	**6,378**	**5,808**
Growth %									
Agrochemicals	46.1	79.8	23.7	15.1	14.4	16.4	5.8	(22.7)	(23.5)
Non – Agrochemicals	73.9	71.0	129.4	137.2	4.3	12.0	(13.1)	(22.5)	(3.8)
Total	**51.3**	**78.2**	**31.8**	**32.4**	**12.2**	**15.6**	**3.3**	**(22.7)**	**(19.5)**

Source: Company, PL

Exhibit 3: Subdued demand coupled with higher channel inventory drags the overall agrochemicals performance

	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Europe	2,162	3,037	6,100	3,120	2,380	3,300	8,930	2,460	2,310
NAFTA	1,810	3,110	4,870	1,920	2,300	3,940	3,090	1,660	1,330
RoW	352	579	360	280	440	710	670	230	270
Latam	704	506	1,100	830	640	470	470	400	500
Total Agrochem Sales	**5,029**	**7,232**	**12,430**	**6,150**	**5,760**	**8,420**	**13,160**	**4,750**	**4,410**
Growth %									
Europe	**Q2FY22**	**Q3FY22**	**Q4FY22**	**Q1FY23**	**Q2FY23**	**Q3FY23**	**Q4FY23**	**Q1FY24**	**Q2FY24**
NAFTA	1.0	124.8	14.0	24.3	10.1	8.6	46.4	(21.2)	(2.9)
RoW	126.6	81.9	26.2	9.7	27.0	26.7	(36.6)	(13.5)	(42.2)
Latam	76.3	1.3	(17.1)	21.7	25.0	22.7	86.1	(17.9)	(38.6)
Total	**132.4**	**29.8**	**173.6**	**(2.4)**	**(9.1)**	**(7.2)**	**(57.3)**	**(51.8)**	**(21.9)**

Source: Company, PL

Exhibit 4: LATAM and Europe region posted revenue decline in Non-agrochemicals segment

	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Europe	420	595	540	590	320	260	190	220	230
NAFTA	700	689	1,100	1,140	830	1,150	1,110	840	860
RoW	210	235	170	230	210	260	310	450	230
Latam	70	47	100	130	100	90	50	110	80
Total	**1,399**	**1,566**	**1,910**	**2,090**	**1,460**	**1,760**	**1,660**	**1,620**	**1,400**
Growth %									
Europe	67.7	127.2	103.8	145.8	(23.8)	(56.3)	(64.8)	(62.7)	(28.1)
NAFTA	94.9	57.4	212.5	192.3	18.7	66.9	0.9	(26.3)	3.6
RoW	61.0	79.3	7.6	9.5	0.1	10.7	82.4	95.7	9.5
Latam	7.3	(44.9)	69.5	160.0	43.0	91.6	(50.0)	(15.4)	(20.0)
Total	**73.9**	**71.0**	**129.0**	**134.8**	**4.4**	**12.4**	**(13.1)**	**(22.5)**	**(4.1)**

Source: Company, PL

Exhibit 5: Intense pressure on price realizations drags overall performance

Particulars	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Volume	60.8	51.0	(11.0)	(2.5)	(23.0)	9.0	(3.0)	(11.0)	20.0
Price	(10.6)	26.5	42.0	38.0	34.0	6.7	2.0	(18.5)	(45.0)
Exchange	1.1	0.8	0.3	(3.3)	2.0	0.0	4.3	6.5	5.0
Total	**51.3**	**78.3**	**31.3**	**32.2**	**13.0**	**15.7**	**3.3**	**(23.0)**	**(20.0)**

Source: Company, PL

Exhibit 6: Continue to invest in product registrations- Spent Rs2.2bn in 2QFY24; Capex for FY24 stands at Rs4.0bn

Geography	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Europe	1,370	NA	1,420	1,445	NA	1,490	1,532	NA	NA
NAFTA	252	NA	273	280	NA	293	292	NA	NA
RoW	238	NA	241	241	NA	243	243	NA	NA
Latam	750	NA	752	753	NA	750	754	NA	NA
No. of registrations	**2,610**	**2,645**	**2,686**	**2,719**	**2,750**	**2,776**	**2,821**	**2,859**	**2,885**

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Net Revenues	**40,452**	**41,972**	**45,666**	**50,232**
YoY gr. (%)	*13.0*	*3.8*	*8.8*	*10.0*
Cost of Goods Sold	28,608	31,059	32,879	35,163
Gross Profit	11,844	10,913	12,786	15,070
Margin (%)	*29.3*	*26.0*	*28.0*	*30.0*
Employee Cost	448	465	506	556
Other Expenses	4,270	4,281	4,658	4,772
EBITDA	**7,007**	**5,967**	**7,373**	**9,395**
YoY gr. (%)	*0.2*	*(14.8)*	*23.6*	*27.4*
Margin (%)	*17.3*	*14.2*	*16.1*	*18.7*
Depreciation and Amortization	2,481	2,933	3,614	5,057
EBIT	**4,526**	**3,033**	**3,759**	**4,339**
Margin (%)	*11.2*	*7.2*	*8.2*	*8.6*
Net Interest	45	60	45	27
Other Income	(173)	324	350	366
Profit Before Tax	**4,307**	**3,297**	**4,064**	**4,678**
Margin (%)	*10.6*	*7.9*	*8.9*	*9.3*
Total Tax	888	824	1,016	1,170
Effective tax rate (%)	*20.6*	*25.0*	*25.0*	*25.0*
Profit after tax	**3,420**	**2,473**	**3,048**	**3,509**
Minority interest	0	-	-	2
Share Profit from Associate	-	-	-	-
Adjusted PAT	**3,420**	**2,473**	**3,048**	**3,511**
YoY gr. (%)	*(2.1)*	*(27.7)*	*23.3*	*15.2*
Margin (%)	*8.5*	*5.9*	*6.7*	*7.0*
Extra Ord. Income / (Exp)	-	-	-	2
Reported PAT	**3,420**	**2,473**	**3,048**	**3,513**
YoY gr. (%)	*(2.1)*	*(27.7)*	*23.3*	*15.2*
Margin (%)	*8.5*	*5.9*	*6.7*	*7.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,420	2,473	3,048	3,513
Equity Shares O/s (m)	**90**	**90**	**90**	**90**
EPS (Rs)	**37.9**	**27.4**	**33.8**	**38.9**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Non-Current Assets				
Gross Block	**17,092**	**20,092**	**24,092**	**28,092**
Tangibles	17,092	20,092	24,092	28,092
Intangibles	-	-	-	-
Acc: Dep / Amortization	**10,462**	**13,395**	**17,009**	**22,065**
Tangibles	10,462	13,395	17,009	22,065
Intangibles	-	-	-	-
Net fixed assets	**6,630**	**6,697**	**7,083**	**6,026**
Tangibles	6,630	6,697	7,083	6,026
Intangibles	-	-	-	-
Capital Work In Progress	2,088	2,129	2,171	2,213
Goodwill	0	0	0	0
Non-Current Investments	-	-	-	-
Net Deferred tax assets	-	-	-	-
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	319	319	319	319
Inventories	11,343	11,913	11,710	12,042
Trade receivables	18,333	18,973	20,018	22,020
Cash & Bank Balance	1,819	805	2,266	4,826
Other Current Assets	-	-	-	-
Total Assets	**43,508**	**43,812**	**46,543**	**50,422**
Equity				
Equity Share Capital	902	902	902	902
Other Equity	21,418	23,348	25,852	28,719
Total Networth	**22,320**	**24,250**	**26,755**	**29,621**
Non-Current Liabilities				
Long Term borrowings	30	1,000	500	300
Provisions	27	27	27	27
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	13,776	15,381	15,833	16,932
Other current liabilities	7,352	3,150	3,424	3,540
Total Equity & Liabilities	**43,508**	**43,812**	**46,543**	**50,424**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
PBT	4,307	3,297	4,064	4,678
Add. Depreciation	2,481	2,933	3,614	5,057
Add. Interest	-	-	-	-
Less Financial Other Income	(173)	324	350	366
Add. Other	184	(524)	(550)	(566)
Op. profit before WC changes	6,972	5,707	7,128	9,168
Net Changes-WC	(3,037)	(3,806)	(116)	(1,118)
Direct tax	(653)	(824)	(1,016)	(1,170)
Net cash from Op. activities	**3,283**	**1,076**	**5,996**	**6,881**
Capital expenditures	(2,441)	(3,041)	(4,042)	(4,042)
Interest / Dividend Income	-	-	-	-
Others	989	524	550	566
Net Cash from Invt. activities	**(1,452)**	**(2,517)**	**(3,492)**	**(3,476)**
Issue of share cap. / premium	-	-	-	6
Debt changes	(399)	970	(500)	(200)
Dividend paid	(553)	(543)	(543)	(654)
Interest paid	-	-	-	-
Others	(19)	-	-	(2)
Net cash from Fin. activities	**(971)**	**427**	**(1,043)**	**(850)**
Net change in cash	**1,245**	**(1,014)**	**1,461**	**2,555**
Free Cash Flow	842	(1,965)	1,954	2,838

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Net Revenue	**10,173**	**14,818**	**6,378**	**5,808**
YoY gr. (%)	*15.6*	*3.3*	*(22.7)*	*(19.5)*
Raw Material Expenses	7,073	10,139	5,820	4,352
Gross Profit	3,100	4,679	557	1,455
Margin (%)	*30.5*	*31.6*	*8.7*	*25.1*
EBITDA	**1,945**	**3,064**	**(688)**	**349**
YoY gr. (%)	*0.3*	*2.3*	*(171.5)*	*(66.3)*
Margin (%)	*19.1*	*20.7*	*(10.8)*	*6.0*
Depreciation / Depletion	653	677	703	740
EBIT	**1,292**	**2,387**	**(1,390)**	**(391)**
Margin (%)	*12.7*	*16.1*	*(21.8)*	*(6.7)*
Net Interest	9	25	13	46
Other Income	152	189	355	99
Profit before Tax	**1,434**	**2,551**	**(1,048)**	**(338)**
Margin (%)	*14.1*	*17.2*	*(16.4)*	*(5.8)*
Total Tax	350	563	(162)	(63)
Effective tax rate (%)	*24.4*	*22.1*	*15.4*	*18.5*
Profit after Tax	**1,084**	**1,989**	**(886)**	**(276)**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**1,084**	**1,989**	**(886)**	**(276)**
YoY gr. (%)	*6.1*	*12.4*	*(491.5)*	*(327.5)*
Margin (%)	*10.7*	*13.4*	*(13.9)*	*(4.7)*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,084**	**1,989**	**(886)**	**(276)**
YoY gr. (%)	*6.1*	*12.4*	*(491.5)*	*(327.5)*
Margin (%)	*10.7*	*13.4*	*(13.9)*	*(4.7)*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,084**	**1,989**	**(886)**	**(276)**
Avg. Shares O/s (m)	90	90	90	90
EPS (Rs)	**12.0**	**22.0**	**(9.8)**	**(3.1)**

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY23	FY24E	FY25E	FY26E
Per Share(Rs)				
EPS	37.9	27.4	33.8	38.9
CEPS	65.4	59.9	73.8	95.0
BVPS	247.4	268.8	296.5	328.3
FCF	9.3	(21.8)	21.7	31.5
DPS	6.0	5.0	5.0	6.0
Return Ratio(%)				
RoCE	21.6	12.7	14.3	15.2
ROIC	19.1	10.0	11.9	13.9
RoE	16.5	10.6	12.0	12.5
Balance Sheet				
Net Debt : Equity (x)	(0.1)	0.0	(0.1)	(0.2)
Net Working Capital (Days)	143	135	127	124
Valuation(x)				
PER	11.1	15.4	12.5	10.8
P/B	1.7	1.6	1.4	1.3
P/CEPS	6.4	7.0	5.7	4.4
EV/EBITDA	5.1	6.3	4.9	3.5
EV/Sales	0.9	0.9	0.8	0.7
Dividend Yield (%)	1.4	1.2	1.2	1.4

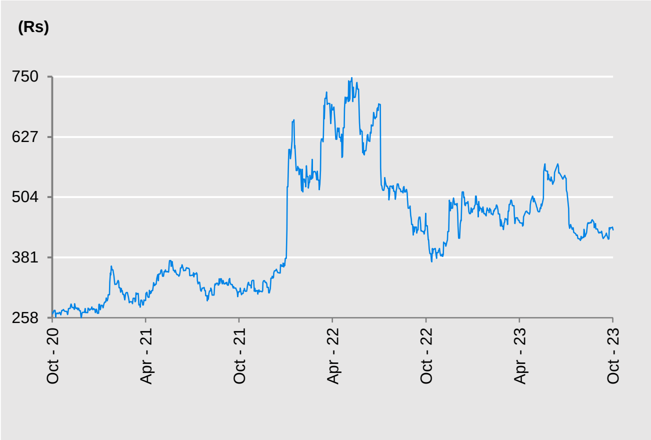
Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY23	FY24E	FY25E	FY26E
Revenues	40,450	41,972	45,666	50,232
Europe	17,740	18,627	20,490	22,539
NAFTA	11,250	11,475	12,164	13,380
LatAM	2,390	2,199	2,375	2,612
RoW	2,090	2,132	2,345	2,579

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Oct-23	Accumulate	540	428
2	24-Jul-23	Accumulate	540	481
3	06-Jul-23	BUY	640	554
4	12-May-23	BUY	640	497
5	11-Apr-23	BUY	660	470
6	25-Jan-23	BUY	660	507
7	05-Jan-23	BUY	660	486

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Hold	472	489
2	Bayer Cropscience	Accumulate	4,720	5,270
3	Bharat Petroleum Corporation	Hold	353	347
4	Bharti Airtel	Accumulate	936	926
5	Clean Science and Technology	Hold	1,418	1,410
6	Deepak Nitrite	Reduce	1,854	2,125
7	Dhanuka Agritech	BUY	950	854
8	Fine Organic Industries	Hold	4,710	4,921
9	GAIL (India)	BUY	136	125
10	Godrej Agrovet	Hold	420	515
11	Gujarat Fluorochemicals	Accumulate	3,230	2,846
12	Gujarat Gas	Accumulate	480	425
13	Gujarat State Petronet	BUY	327	290
14	Hindustan Petroleum Corporation	Hold	263	258
15	Indian Oil Corporation	Hold	97	90
16	Indraprastha Gas	Hold	539	460
17	Insecticides India	Accumulate	550	514
18	Jubilant Ingrevia	Hold	462	484
19	Laxmi Organic Industries	Reduce	252	280
20	Mahanagar Gas	Hold	1,056	1,114
21	Manglore Refinery & Petrochemicals	Hold	94	96
22	Navin Fluorine International	Accumulate	4,128	3,719
23	NOCIL	Hold	228	226
24	Oil & Natural Gas Corporation	BUY	202	181
25	Oil India	BUY	341	296
26	P.I. Industries	BUY	4,850	3,421
27	Petronet LNG	BUY	225	230
28	Rallis India	Reduce	180	215
29	Reliance Industries	BUY	2,913	2,318

PL's Recommendation Nomenclature (Absolute Performance)

Buy	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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