Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

Agro Chemicals

Post Conference Notes

December 7, 2022

Exporters to outperform in the near term..!!

We hosted 8 companies and 3 experts from the agrochemicals pack in our 2 days Agri and Specialty conference. We are of the view that export oriented players (PI Industries, Sumitomo Chemicals and UPL) are better placed than pure play domestic players (Dhanuka Agritech, Bayer Crop science) in the near term. Near term challenges pertaining to provisions for high cost inventory amid a falling RM cost scenario coupled with higher sales return from kharif season and pricing pressure in generic segment will likely weigh on margins for domestic players. However, exports oriented players will continue with their outperformance on the back of a) robust demand scenario globally; b) remunerative crop prices and c) better realizations led by price hikes in the recent past. Going forward, 2H usually remains heavier for exporters as compared to 1H. Hence citing the robust demand scenario globally, we continue to maintain our positive stance on exporters and prefer Sumitomo Chemicals, PI Industries and UPL in agrochemical space. While, Coromandel Int'l remains our preferred pick in the fertilizer pack.

Companies covered in the report

Name of the Company	Recommendation
Best Agrolife	Not Rated
Insecticide India	HOLD
Rallis India	BUY
Sharda Cropchem	BUY
UPL	BUY

Experts

Gharda Chemicals
Rashtriya Chemicals & Fertilizers (RCF)
Shetkari Sanghatana

Key Takeaways:

- Growth in 1HFY23 was largely driven by price, as volumes were under pressure due to adverse weather conditions.
- Uneven distribution of rainfall has in-turn resulted into miss of some sprays, leading to lower liquidation of inventories particularly in insecticides grades.
- Channel inventory remains high particularly for insecticides category, led by higher carryover of last year and lower product liquidation in kharif season, due to uneven distribution of rainfall.
- Higher sales return, particularly in the insecticides grade is expected in 3QFY23.
- Crop prices continues to be remunerative in both domestic and exports market. Hence, as long as the crop prices continues to be remunerative, price hikes will likely be absorbed by the market.
- RM availability easing off with lower demand from certain regions and better availability from China.
- Margins for domestic industry likely to be under pressure led by provisions of high cost inventory, amid falling RM cost scenario and severe price competition in generics.
- Outperformance likely to continue for exports oriented players on the back of a) robust demand scenario globally; b) remunerative crop prices; c) better realizations led by price hikes in the recent past.

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Best Agrolife

Management Representative:

Mr. Davinder Dogra

President Finance & Accounts

Mr. Pramod N Karlerkar

R&D and Technical Head

Key Financials - Consolidated

Y/e Mar	FY19	FY20	FY21	FY22
Sales (Rs. m)	5,162	6,001	7,093	14,830
EBITDA (Rs. m)	776	1,047	1,231	1,834
Margin (%)	*15.0*	*17.5*	*17.3*	*12.4*
PAT (Rs. m)	457	653	802	977
EPS (Rs.)	NA	13.4	15.6	17.8
Gr. (%)	*NA*	*NA*	*15.9*	*14.5*
DPS (Rs.)	NA	NA	0.5	0.5
Yield (%)	*NA*	*NA*	*0.1*	*0.1*
RoE (%)	*42.8*	*31.8*	*23.1*	*16.1*
RoCE (%)	*48.4*	*34.2*	*24.9*	*20.2*
EV/Sales (x)	8.6	7.4	6.2	3.0
EV/EBITDA (x)	56.9	42.2	35.9	24.1
PE (x)	NA	59.8	51.5	45.0
P/BV (x)	NA	NA	10.2	5.5

Rating: Not Rated | CMP: Rs802 | Mcap: Rs40bn

Key Highlights:

- **B2C gaining traction:** The Company's strategic decision to lower its low value generic products and replace it with the new 9(3) molecules has in turn resulted to better traction in the B2C segment. B2C segment which was contributing NIL revenues in FY17 have now increased to 15-16% of overall revenues in FY22. In 1HFY23, B2C segment contributed to 35% of overall revenues, while management intends to increase its share to +50% over next few years.
- **Product pipeline remains healthy:** Company launched 5-6 products in 1HFY23, including its blockbuster product Ronfen, Citigen and Vistara (CTPR) & other 3-4 new combination products (Axeman, Tombo, warden and Reveal). Also company has been granted with 2 patents (1 Herbicide & 1 Fungicide). Best Agro is also working on Strobiurins chemistry. Currently there are 28 products in pipeline.
- **Aggressively focusing on market share gains:** Ronfen which is used for sucking pests have a domestic market size of ~Rs80bn; while the management opined that with better acceptance of their product they are expecting to capture ~10% market share over next few years. While on CTPR; currently CTPR in India is being sold by only FMC and has a domestic market size of Rs25bn. Due to less competition and significant entry barriers company doesn't see much competition and is aiming to capture 10-12% market share.
- **New product launches driving growth and profitability:** In 1HFY23 revenues increased by 74% primarily due to new product launches such as Axeman, Tombo, Warden, Reveal and Citigen and particularly Ronfen. While superior realisations led by price hike in the recent past has in-turn resulted into better margins. In 1HFY23 EBITDA margins stood at 21% while, margin guidance for FY23 stands at 20%. Going forward, management guided for EBITDA margins improvement of 100-200bps YoY.
- **Exports:** Currently exports do not meaningfully contribute to the overall revenues. However, management is exploring various opportunities to export Strobiurins formulations and expects 10-15% revenue contributions going forward. Strobiurins has global market size of Rs25-30bn and management intends to achieve 10-15% market share.
- **Capacity Utilization and capex:** Capacity utilization for 1HFY23 stood at 95%, and for full year it is expected to be in the range of 70-75%. While management intends to incur a capex of Rs1bn for the next 2 years.
- **Working Capital**: Working capital is slightly stretched because of higher inventory and is expected to be in this range for next 1 year. In 1HFY23 debt has increased from Rs215Cr to Rs430Cr primarily due to WC debt. Debt is expected to reduce going forward.
- **View**: We do not have a rating on the stock.

Insecticides India

Management Representative:

Mr. Shrikant Satwe

Sr.VP Head International Business

Key Financials - Standalone

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. m)	15,040	18,047	19,852	21,837
EBITDA (Rs. m)	1,697	1,877	2,223	2,511
Margin (%)	*11.3*	*10.4*	*11.2*	*11.5*
PAT (Rs. m)	1,070	1,172	1,396	1,595
EPS (Rs.)	36.2	39.6	47.2	53.9
Gr. (%)	*(20.0)*	*9.5*	*19.1*	*14.2*
DPS (Rs.)	3.0	3.5	4.0	4.5
Yield (%)	*0.4*	*0.5*	*0.5*	*0.6*
RoE (%)	*12.7*	*12.7*	*13.5*	*13.6*
RoCE (%)	*15.7*	*16.5*	*17.7*	*18.3*
EV/Sales (x)	1.5	1.2	1.1	1.0
EV/EBITDA (x)	13.1	11.8	9.9	8.4
PE (x)	20.7	18.9	15.8	13.9
P/BV (x)	2.6	2.3	2.0	1.8

Rating: HOLD | CMP: Rs748 | TP: Rs700 | Mcap: Rs22bn

Key Highlights:

- **Exports to drive growth:** For FY22, exports contributed around Rs1.3bn which constitutes around 8-10% of the revenue. In 1HFY23, exports contributed to Rs600Mn. Company is setting up a plant exclusively for export formulations and also exploring opportunities for CRAMS business. Management guided for Rs2.5bn from exports business in FY23E, however citing dollar shortage & currency depreciation exports revenues has now been revised downwards to Rs1.2-Rs1.5bn for FY23E.

- **Healthy Product Pipeline:** Company has launched 2 products (Izuki and Shinwa) in 1HFY23, and 8 new products are currently in pipeline with each molecule having potential of Rs1bn. While the management also alluded that they are exploring opportunities in fluorine based chemistry. With 30 molecules getting off-patent shortly, R&D is currently working on developing these new molecules. Company is setting up a biological plant and expecting 10-12% revenue contribution in next 2-3 years.

- **RM Substitution**: Currently company sources 30% of its raw materials from China. To reduce its import dependency, company has allocated Rs1bn capex for manufacturing key technical. The plant is expected to be commissioned from January 2023. With this imports from China are expected to go down from current 30% to 15% going forward.

- **Management guided for a double digit revenue growth** (in the range of 15-20%) with growth to be equally driven by value and volume led by new product launches. Margins are expected to improve led by introduction of new molecules (superior margin products). For FY23E EBITDA margin guidance is in the range of 10-12%.

- **View**: Going forward we expect INST's business to pick up driven by new launches, better margin profile of in-licensing molecules, commencement of new capacities and backward integration projects. Management expects double digit revenue growth with absolute margins improvement as compared to last year's level, led by better contribution from new product launches and superior product mix in FY23E. We broadly retain our estimates for FY23/24E. We introduce and roll forward our valuations to FY25E. Maintain 'HOLD' with revised TP of Rs700 (Rs920 earlier-bonus share adjustment) based on 13x FY25E EPS (5 year high/low/average of 19x/5x/13x).

Rallis India

Management Representative:

Ms. Subhra Gourisaria

CFO

Key Financials - Consolidated

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. m)	26,039	31,140	35,359	40,030
EBITDA (Rs. m)	2,741	3,199	4,022	4,706
Margin (%)	*10.5*	*10.3*	*11.4*	*11.8*
PAT (Rs. m)	1,642	1,707	2,269	2,682
EPS (Rs.)	8.4	8.8	11.7	13.8
Gr. (%)	*(25.1)*	*4.0*	*32.9*	*18.2*
DPS (Rs.)	3.0	3.5	4.0	4.5
Yield (%)	*1.2*	*1.4*	*1.6*	*1.8*
RoE (%)	*10.0*	*9.8*	*12.3*	*13.4*
RoCE (%)	*11.8*	*12.4*	*15.2*	*16.8*
EV/Sales (x)	1.8	1.5	1.3	1.1
EV/EBITDA (x)	16.8	14.6	11.4	9.6
PE (x)	29.3	28.2	21.2	17.9
P/BV (x)	2.8	2.7	2.5	2.3

Rating: BUY | CMP: Rs247 | TP: Rs250 | Mcap: Rs48bn

Key Highlights:

- **Domestic business- New product launches to propel growth:** During 1HFY23 growth in domestic business was largely led by better pricing, while volume offtake was under pressure. RALI witnessed double digit growth in herbicides, while subdued demand for fungicide and insecticide segment led by uneven distribution of rainfall resulting into lower acreages and pest infestation. RALI launched two new 9(3) products 1) Clasto (Pyrifluquinazon), an insecticide for whitefly on cotton crop and 2) fungicide for paddy blast disease. It also launched 3 new 9(4) products like 1) Clue (Pymetrozine), 2) Onto (Quinalphos) and 3) Castello (Difenoconazole).

- **Exports to contribute 40% of overall revenues by FY25E**: RALI intends to achieve 40% revenues contribution from exports by FY25E vs 32-34% currently. Growth in exports likely to be driven by (a) new product launches; (b) enhanced capacities in existing products; (c) increasing business from existing and newer customers; (d) higher registrations in the formulation business (currently contributing 20% of the overall exports revenues) in geographies like Brazil. In 1HFY23, RALI received registrations for its Metribuzin formulated product in Brazilian market; also got registration for Acephate formulation product which is expected to be launched this year. Metribuzin / pendimethalin recorded growth of 60%/20% YoY in 1HFY23.

- **CRAMS business- Green shoots visible:** In CRAMS business PEKK shipments are expected to commence from Q4FY23. It will take 2-3 years to contribute meaningfully to the topline. The company bagged two new small contracts during 4QFY22 for which supplies will start in FY24 and it will start to scale-up in 2HFY24. These contracts are from new clients. With regards to PEKK, after a halt of two years, the company will start supplying it from 4QFY23 onwards.

- **Working Capital- Market receivables slower; likely to normalize going forward:** RALI's working capital requirement rose significantly during 1HFY23 led by slower collection in both domestic and export markets. This was largely on account of: 1) moderation in payment scheme in domestic market, 2) no discounting of receivable for an international customer, and 3) higher exposure to Brazil and South East Asia. The company does not expect a further stretch in collection cycle for 2HFY23. While, they have increased their short term borrowings to fund working capital requirement for 2HFY23.

- **Capex Guidance- Well on track; likely to reap benefits going forward:** RALI guided for Rs2.5bn of capex in FY23E (already spent Rs1bn till 1HFY23). MPP at Dahej is delayed and is expected to be commissioned during this financial year; however, revenue contribution from this plant would be from FY24. Debt is expected to increase by 0.5-1bn as compared to previous year.

- **Crop Nutrition:** Crop nutrition segment continues to perform better and is expected to grow in double digits. For FY23, revenues are expected to be in the range of Rs1.6-1.7bn.

- **Seeds Business- Enhancing product portfolio remains the key:** The performance in seeds business continues to be challenging. RALI made provisions of Rs250mn in 1HFY23 in the segment. While, the company has been working on expanding its product portfolio in the seeds business, however, it is likely to take some time to reap benefits. The management alluded that they have strong product pipeline and are also working on GM seeds.

- **View:** Going forward, management remained hopeful on the upcoming rabi season backed by better agronomic situation in the domestic markets. However, remained cautious on realizations going forward, amid falling RM cost scenario. While on the exports business with enhanced capacities coupled with favorable base and robust demand is likely to support growth in the near term. We expect RALI to clock revenue/PAT CAGR of 15%/18% over FY22-FY25E, led by domestic market share gain and export ramp-up. Maintain 'BUY' rating on the stock with TP of Rs250 based on 18xFY25 EPS.

Management Representative:

Mr. RV Bubna

CMD

Mr. Ashok Vashisht

CFO

Key Financials - Standalone

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. m)	35,798	42,796	48,905	53,795
EBITDA (Rs. m)	6,994	7,482	8,991	10,194
Margin (%)	*19.5*	*17.5*	*18.4*	*18.9*
PAT (Rs. m)	3,493	3,295	3,895	4,228
EPS (Rs.)	38.7	36.5	43.2	46.9
Gr. (%)	*52.4*	*(5.6)*	*18.2*	*8.5*
DPS (Rs.)	3.0	4.0	4.0	5.0
Yield (%)	*0.6*	*0.8*	*0.8*	*1.0*
RoE (%)	*19.8*	*16.0*	*16.4*	*15.5*
RoCE (%)	*25.0*	*20.8*	*21.6*	*20.4*
EV/Sales (x)	1.2	1.0	0.8	0.7
EV/EBITDA (x)	5.9	5.7	4.5	3.7
PE (x)	12.6	13.4	11.3	10.4
P/BV (x)	2.3	2.0	1.7	1.5

Sharda Cropchem

Rating: BUY | CMP: Rs489 | TP: Rs660 | Mcap: Rs44bn

We hosted Mr. RV Bubna (CMD) and Mr. Ashok Vashisht - CFO

Key Highlights:

- **2HFY23 progressing well:** Majority of the revenues and profitability for SCHR (~80-85% of the annualized EPS) is derived from 2nd half of the year. Management indicated that 3QFY23 is progressing well as compared same period last year. While expectations of better performance from the European region to be aided by better realizations is likely to support margins in the ensuing quarters.

- **Margins likely to be under pressure:** While the management re-iterated that gross margins are likely to be maintained in the range of 26-30%. However, provisions related to high cost inventory amid a falling RM cost scenario coupled with depreciating currency likely to exert pressure on the EBITDA margins in the subsequent quarters.

- **RM Sourcing and availability:** The management alluded that availability of key RMs from China has improved and they don't foresee any sort of availability issues in terms of lockdowns in China, led by COVID-19. Company continues to purchase RM's in USD terms; while majority sales are in Euro terms. Hence adverse currency movement is likely to exert some pressure into the overall margins, going forward.

- **Maintains Guidance:** Management continues to maintain its double digit revenue growth led by better demand from European and NAFTA region (combined revenues of >80%). While better traction from the LATAM markets (contributing ~10% of the overall revenues) is likely to further support growth. While management remains comfortable in terms of gross margins (at 26-30% range); while EBITDA margins likely to be under pressure led by provisions related to high cost inventory amid a falling RM cost scenario coupled with depreciating currency.

- **View:** Citing positive growth momentum across regions coupled with price hikes in the recent past, management remains confident of achieving 15-20% YoY revenue growth for FY23E, however adverse currency movement is likely to exert pressure on margins in the near term. Maintain 'BUY' with TP of Rs660 based on 14xFY25E EPS.

UPL

Rating: BUY | CMP: Rs788 | TP: Rs1,070 | Mcap: Rs591bn

Key Highlights:

- **Lower volumes offset by superior margin products:** In 1HFY23, performance was largely driven by price as the company has been focusing on better combination molecules which brings along with themselves a better margin. Going forward, continued focus on better combination products is likely to drive growth and margins.

- **Recent business restructuring to unlock value in the long term:** UPL has recently announced strategic corporate realignment of its existing business by creating 4 distinct business verticals in the consolidated entity 1) India Agrtech (crop protection + Digital); 2) Global crop protection (Excl. India business); 3) Global seeds; 4) Manufacturing and specialty chemicals + others business through investments by marquee investors (ADIA, TPG, Brookfield and KKR) investing a total of USD500mn in two of these business platforms (valuing these entities at ~USD4.5bn which is equally split between the two; implying a deal multiple of ~26x FY22 EBITDA). While ADIA and TPG will receive USD241mn for their exit from Non-crop protection in UPL Corp. (material subsidiary) business (valuation at 11x FY22 EBITDA) resulting into net proceeds of USD259mn to UPL Ltd. With net proceeds of USD259mn (~Rs 20 bn) is likely to used towards debt reduction and working capital requirement of the company. While, for a long term management intends to list the business separately and unlock value for individual business verticals.

- **Debt repayment:** Debt repayment guidance now stands at USD650mn for FY23 (largely led by recent restructuring of business verticals) vs earlier USD300- 400mn.

- **View**: Citing positive demand scenario globally coupled with better realizations, UPL maintained its revenue and EBITDA growth guidance to 12-15% and 15- 18% in FY23E, with growth to be largely driven by focus on differentiated solutions and new product launches. While, the company expects to reduce debt by USD650mn (earlier USD400mn) in FY23E led by recent restructuring of business verticals resulting into inflow of USD259mn. We expect UPL to clock Revenue/PAT CAGR of 11%/17% over FY22-25E. Maintain 'BUY' with TP of INR1070 based on 14xSeptember FY24E EPS.

Management Representative:

Ms. Radhika Arora
Head-Investor Relations

Key Financials - Consolidated

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. m)	4,62,400	5,39,982	5,83,213	6,30,359
EBITDA (Rs. m)	1,01,650	1,21,496	1,31,806	1,44,983
Margin (%)	*22.0*	*22.5*	*22.6*	*23.0*
PAT (Rs. m)	38,917	46,644	54,119	62,762
EPS (Rs.)	50.9	61.0	70.7	82.0
Gr. (%)	*26.9*	*19.9*	*16.0*	*16.0*
DPS (Rs.)	10.0	10.0	10.0	10.0
Yield (%)	*1.3*	*1.3*	*1.3*	*1.3*
RoE (%)	*19.7*	*19.9*	*19.8*	*19.6*
RoCE (%)	*16.4*	*19.0*	*20.4*	*21.8*
EV/Sales (x)	1.8	1.5	1.3	1.1
EV/EBITDA (x)	8.1	6.7	5.8	5.0
PE (x)	15.5	12.9	11.1	9.6
P/BV (x)	2.8	2.4	2.0	1.7

Management Representative:

Mr. Nair

VP International Marketing & Sales

Gharda Chemicals

Key Highlights:

- **Exports**: Company is performing well across all regions except china. Subdued performance in China is largely led by lower demand and surplus inventory resulting in price erosion. Company exports around Rs1bn to China. Whereas demand & consumption in rest of the markets is normal. Company has able to increase its share in Brazil and has been significantly pushing in regions like Southeast Asian countries.

- **Europe + 1; yet to reap benefits:** The management alluded that now the industry has not witnessed any benefit in terms of market share gains or low cost manufacturing expertise from the current energy crisis in Europe.

- **Impact on Margins:** Margins are expected to come under pressure due to severe price competition. Management indicated that in H2 there would be decline in margins which would be largely led by higher provisions of high cost inventory coupled with higher sales return post the kharif season.

- **Capex:** For FY23 announced capex of Rs9.5bn, company has purchased 2 big land parcels in dahej and has been re-aligning some of its existing products from Dombivali to Dahej. While, the company has also new products in pipeline which are expected to be commercialised in the new plant. The management expects asset turnover to be in the range of 2-3x.

- **Working Capital:** Working capital is going to be in the range of 120-130 days similar to previous year levels due to higher lead time in exports, especially China (which is in the range of 180-270 days). Currently entire working capital funding requirements are met through internal accruals.

- **Guidance:** Gharda expects revenue growth of ~30% for the next 2-3 years with their existing capacities to be doubled in next 2-3 years.

- **View:** We do not have a rating on the stock.

Management Representative:

Mr. Shirish M Chalke

Ex- GM - Finance and Projects

Rashtriya Chemicals & Fertilizers (RCF)

Key Highlights:

- One nation one fertilizer is not likely to have any meaningful impact to the companies in terms of their brand visibility.
- The Govt. is reviving 5 sick units for Urea with a capacity of 1.2mn mt each; which in turn would add to ~6mn mt of total indigenous production in India. This will in turn result into eliminating the overall imports of Urea, making the country self-sufficient.
- As far as HURL is considered Ghorakpur plant has commissioned and in Sindri & Baurani still test runs are being conducted.
- 6-7 plants were closed including FCI, HFC because they were running on coal and had a capacity utilization of 30%, most efficient plants operated at a capacity utilization of 55%. In order to earn profit on post tax basis plants are at least required to operate in the range of 70% which resulted in losses for the companies. Now these plants are re-starting under revival scheme.
- As India has been a net importer of all fertilizer key RM's, the NIP-2012 talks about investment in abroad markets, wherein a company can set-up plant in other countries where gas is available. There have been talks with Iran and middle east countries. Iran project is delayed due to strategic reasons by MOF.
- Keeping the MRP constant results in higher subsidy. For FY23 subsidy allocation has gone up to Rs2.5 lakh Cr. Going forward, subsidy for FY24 is likely to be lower as compared to the current year largely keeping into consideration falling RM cost.
- The expert also mentioned that financial policies in the fertilizer sector have greatly benefited Fertilizer industry such a uniform gas prices through pooling arrangement resulting in indigenous domestic production. Companies such Chambal & other companies are able to make profits due to NIP.
- Companies such as Coromandel & IFFCO to some extent are taking risk and have entered into long term contracts for procurement of raw materials and this risk has been rewarded in the past 4-5 quarters in the form of EBITDA/Tonne expansion.
- In urea sector margins are improving due various reasons such as 1) Under NIP-2012 the compensation is dollar based, exchange rate is increasing at a galloping rate & 2) Energy consumption savings is being paid at a basic rate of gas and with gas prices on higher end are being rewarded at a higher rate resulting in improved margins.

Management Representative:

Mr. Anil J Ghanwat

President

Shetkari Sanghatana

Key Highlights:

Mr. Anil J Ghanwat is the president of Shetkari Sanghatana and has been associated with it since past 40 years. He is among the four members of the committee appointed by the Supreme Court for the purpose of listening to the grievances of farmers relating to the farm laws and views of the government to make recommendations.

- He suggested various amends to the farm laws like, 1) To remove cess in mandi to bring level playing field; 2) to set up Farm courts to settle any revenue disputes.
- According to him, recent draft order on restricting the use of Glyphosate is not likely to have bearing on the industry as the Govt. doesn't have any infrastructure available in terms of PCO's at farm level. While, this product being a low cost generic product doesn't have any other suitable alternative in the market. Hence, he believed, that this move would in turn unnecessarily inflated the cost of the farmers which again doesn't bode well with the Govt.'s thrust on doubling farmer's income.
- There is no MSP for organic produce and at retail level organic products are sold at 3-4x higher than normal chemical used products. Even in developed countries like U.S only 1% of the population uses it. So for next 10-15 years, chemical products are likely to dominate the market as compared to organic products.
- Government's thrust on ethanol blending can result in higher sugarcane area.
- Hydroponic farming can be an alternative to open farming. But initial setup cost is very high.
- The global acceptance of GM seeds has been good & GM seeds can result in improvement in the crop yields.
- Government is taking initiatives to improve irrigation facilities.
- Rural demand continues to be weak.

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Bayer Cropscience	Accumulate	5,630	4,755
2	Chambal Fertilizers & Chemicals	BUY	410	308
3	Coromandel International	BUY	1,200	953
4	Dhanuka Agritech	BUY	940	728
5	Godrej Agrovet	Accumulate	570	520
6	Insecticides India	Hold	700	739
7	P.I. Industries	BUY	4,350	3,624
8	Rallis India	BUY	250	226
9	Sharda Cropchem	BUY	660	446
10	Sumitomo Chemical India	BUY	610	493
11	UPL	BUY	1,070	717

PL's Recommendation Nomenclature

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

ANALYST CERTIFICATION

(Indian Clients)

We/I Mr. Himanshu Binani- MBA Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

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