

## Astral Poly Technik Ltd.

We initiate coverage on Astral Poly with FY12 end target price of Rs 230 per share which implies 26% upside from the current level. We believe that the current market price does not fully factor in almost 100% capacity expansion planned by the end of FY12, strong demand of PVC/CPVC pipes and fittings resulting from incremental growth in real estate and infrastructure industries and from the gradual replacement of GI pipes by the PVC/CPVC substitutes.

The strong domestic distributors/dealers network, technical and raw material tie ups with leading foreign players, expansion plans in Africa via the JV, exports links to neighboring countries like Bangladesh, Sri Lanka & Nepal and an undisputed leading position in domestic CPVC market (almost 60% share) warrants revenue and net income CAGR of 38% and 37% respectively over the 3 year period FY10E-FY13E.

### Restricted access to a key raw material – a major entry barrier

Astral has exclusive license from Lubrizol - a US based company - and imports a key raw material i.e. compounded CPVC resins from the later. As per our interaction with the management, Lubrizol is unlikely to give license to manufacture CPVC products in India to further players.

### Capacity to almost double in next two Years

Demand of CPVC based pipes and fittings likely to remain strong as they offer significant advantages like light weight, corrosion resistance, easy installation, longer life span and around 20% cost savings over the traditional GI pipes. The company is aggressively ramping up capacity to address the growing demand. From 4000 TPA in 2006, the current capacity is around 30867 TPA i.e. 7 times higher and is expected to reach 60,000 TPA by end FY12.

### New products for wider applications & deeper penetration

Astral is an innovative player in the industry and launches new products on regular interval for wider applications and deeper penetration in the pipes & fittings industry. The company has already launched manholes / inspection chambers in the Q1FY11 and is at an advance stage of launching CPVC based fire sprinklers. Currently Astral will be the only company with the capabilities to manufacture CPVC based fire sprinklers which have an estimated market size of around Rs 700 Cr.

### Increasing geographical reach

Astral Technologies, a JV in Kenya in which Astral holds H"32% stake - is expected to commence production in November 2010 with an initial capacity of 6000 TPA.

CMP : 182

TARGET PRICE : 230

**BUY**

#### KEY DATA

Sector	Construction
Market Cap (INR bn)	4.1
Market Cap (USD mn)	91.2
O/S Shares (mn)	22.5
Free Float (mn)	8.1
52-wk HI/LO (INR)	Rs 69 - Rs 194
Avg 12m Vol ('000)	20.00
Bloomberg	ASTRA IN
Reuters	ASPT.BO

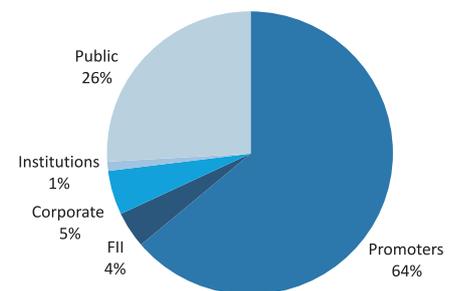
Sources:- Company, Anagram research

#### Returns (%)

	1 m	3m	6m	12m
Astral	4	50	83	152
Relative	4	37	65	119

Sources:- Company, Anagram research

#### SHAREHOLDING PATTERN (%)



Sources:- Company, Anagram research

#### PRICE PERFORMANCE



Source: Capitaline

**Analyst : Abhishek Patel**  
 abhishek.patel@anagram.co.in

## Valuation

We like Astral Poly owing to 1) its undisputed 'market leader' status in CPVC pipes & fittings 2) expansion plans of almost doubling the capacity by FY12 end 3) restricted competition (in CPVC) due to limited access to a key raw material 4) strong product recognition due to approvals from the likes of NSF, BIS and ISI 5) solid distributors and dealers network across India and 6) massive demand of CPVC / PVC pipes in the country going forward from replacement (of GI pipes) and incremental market.

*We are revising our estimates upwards and our DCF based FY12 end price target of the stock now stands at Rs 230 which implies 26% return.*

We had recommended a BUY rating on the stock in our research report dated 21st Jan 2010 at Rs 182 (Rs 91 - adjusted for stock split from RS 10 FV to Rs 5 FV) with a target price of Rs 280 (Rs 140 adjusted for split). The stock has doubled since then and currently trades at Rs 190 (FV Rs 5).

We are revising our estimates upwards and our DCF based FY12 end price target of the stock now stands at Rs 230 which implies 26% return. At the target price, the stock will be trading at 9.6 times FY12E earnings.

Y/E March (Rs. Crs.)	2009	2010	2011E	2012E	2013E
Revenue	193.0	291.0	406.7	566.0	761.8
YoY%	42.1	50.8	39.8	39.2	34.6
EBIDTA	29.4	42.8	58.6	84.9	108.3
EBIDTA (%)	15.2	14.7	14.4	15.0	14.2
PAT	14.2	27.8	36.3	54.0	72.4
YoY%	-16.9	95.7	30.7	48.7	34.1
Fully DEPS	6.3	12.4	16.2	24.0	32.2
ROE (%)	16.4	26.3	27.0	30.8	31.1
RoCE (%)	17.7	26.5	27.5	32.5	34.8
P/E	28.9	14.8	11.3	7.6	5.7
EV/EBIDTA	15.2	10.4	7.4	5.1	3.7

\* EPS for prior years adjusted for stock split from Rs 10 to Rs 5  
Sources:- Company, Anagram research

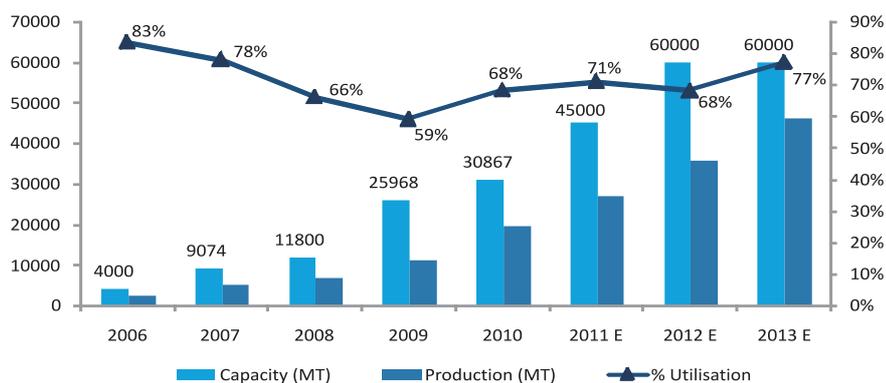
## Investment Arguments

### Restricted access to a key raw material – a major entry barrier

Astral has exclusive licensing from Lubrizol for manufacturing CPVC products in India (using compounded CPVC resins which is patented by the later) and remains by far the largest player in the CPVC pipes and fittings market. While there is couple of other players in the country having tie-ups with Lubrizol, they have license for just one product compared to 4 of Astral and they also lag when it comes to consumer reach as Astral has more than 4000 dealers and 350 distributors across the country. Thus restricted access to key raw material required to manufacture CPVC based pipes and strong network in the country acts as a barrier to entry and limits the competition.

*Astral has exclusive licensing from Lubrizol for manufacturing CPVC products in India and remains by far the largest player in the CPVC pipes and fittings market.*

### Capacity to Almost double in Next Two Years



Sources:- Company, Anagram research

From just 4000 ton per annum capacity in FY06, the current capacity of Astral stands more than 7 times at 30,867 ton per annum. Over the same period, due to solid demand from the user industries, the production has increased 8 times. Considering the fact that real estate and infrastructure industries are poised for a solid growth over the next few years coupled with the demand resulting from the shift to CPVC/PVC pipes from the current GI pipes, the company further plans to increase its capacity to 45,000 TPA by the end of FY11 and to 60,000 TPA by the end of FY12. While the current phase of expansion is coming at the existing plant locations, the next phase (from 45000 TPA to 60000 TPA) of capacity expansion will be coming at two new locations i.e. Hosur in Tamilnadu and Dholka in Gujarat. At both the places land acquisition has been completed and currently the company is in process of converting the land for industrial purpose. This however does not include the 6000 TPA initial capacity of the JV in Africa which is to commence production in the current fiscal.

*Astral further plans to increase its capacity to 45,000 TPA by the end of FY11 and to 60,000 TPA by the end of FY12.*

### New products for wider applications & deeper penetration

As a part of its strategy to launch new products with specific application meeting various user requirements, the company has plans to launch 2 products in FY11. In the first quarter of the year the company has already launched manholes/ Inspection Chambers for which response so far is very encouraging. The other product is Blazemaster – fire sprinklers system. Blazemaster is a brand of Lubrizol and Astral has license manufacture the product in India. Currently Astral is the only company in the country which is capable of manufacturing CPVC based fire sprinkler system which has an estimated Rs 700 Cr pa market.

### Increasing Geographical Reach

While Astral has been exporting products to neighboring countries like Bangladesh, Sri Lanka and Nepal already, during FY10 it has increased its stake in Astral Technologies (Kenya) from 26% earlier to ~32% by making an additional investment of Rs71.01 lacs. The JV has placed orders for machines and expects to start productions there in November 2010. Having manufacturing facilities in Kenya will enable the company to benefit from increasing PVC/CPVC pipes' demand in the region. Currently Astral exports pipes and various fittings from India to Kenya which results in higher cost owing to import duty and logistic costs. Once the manufacturing facility (initially 6000 TPA) comes on stream, the company should witness robust growth from East African markets as it will be able price its products competitively.

*Once the manufacturing facility (initially 6000 TPA) comes on stream, the company should witness robust growth from East African markets.*

### Strongest product recognition among all domestic peers

Astral is the only company in the country whose CPVC products are approved by NSF – a US based organization which is the world leader in standards development, product certification and risk management for public health and safety for 65 years. This approval helps Astral market its products not only in India but will also have an impact in Africa where it is planning to augment a 6000 TPA capacity soon.

*Astral is the only company in the country whose CPVC products are approved by NSF.*

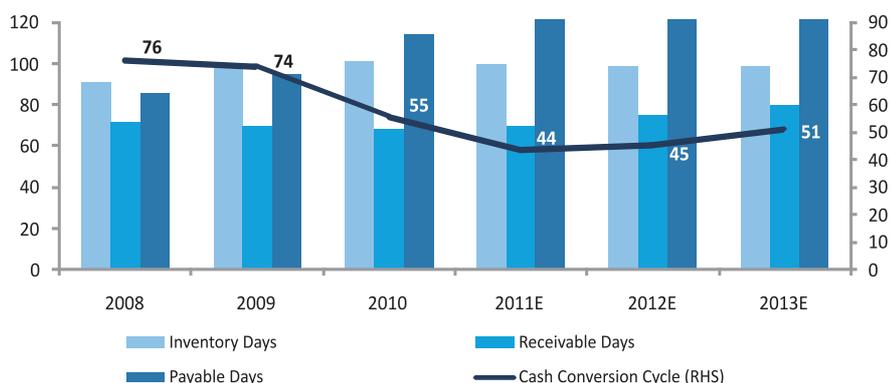
Astral recently received ISI approval for its CPVC products in the country. This will help it bag orders from government departments as they normally are biased towards products with ISI mark. Apart from this, according to the management, the ISI approval will also help Astral penetrate further in rural India where ISI mark is quite influencing.

### Various benefits at Himachal Pradesh Plant

The company's HP plant where it manufactures fittings, enjoys lower tax rate for 10 years (30% concession ie Astral pays 3-4% tax only), excise holidays for 10 years, CST of just 1% instead of 2% for 10 years and around 25% cheaper power cost. The company has enjoyed all these benefits for 5 years already and will continue to receive the same for next 5 years until FY15.

*Astral has enjoyed all these benefits for 5 years already and will continue to receive the same for next 5 years until FY15.*

### Low gearing; thanks to low working capital requirement



Sources: - Company, Anagram research

Astral has historically maintained stringent working capital cycle especially in the CPVC business. The company gets around 120 days credit from the supplier i.e. Lubrizol for the raw materials. It gives around 45 days credit to its distributors. The conversion time from raw material to pipes/fitting is just around an hour so the inventory days are mainly a function of transit period. Whatsoever working capital the company requires is mainly to fund its PVC business.

Our conversation with the management suggests that in FY11E, the company plans to reduce inventory levels significantly, albeit, by offering discounts etc. Thus lean working capital structure results in better return ratios and lower total debt requirement.

#### **Demand of PVC/CPVC products to remain strong in the foreseeable future**

PVC/CPVC based products offer many advantages over the traditional metal / GI (galvanized Iron) pipes. CPVC pipes don't corrode over time which is a major concern with the GI pipes. Also, due to lighter weight, it's much easier to transport and install CPVC pipes. CPVC pipes also offer cost benefits as at present they are 20% cheaper than the GI pipes and have a longer life span of around 35 years. The strength of these CPVC pipes easily make them better substitutes of GI pipes for many residential and industrial applications.

*CPVC pipes offer cost benefits as at present they are 20% cheaper than the GI pipes and have a longer life span of around 35 years.*

Due to all these, there is a growing demand (between 15% - 20% pa) for these products from the new residential, commercial and industrial projects. Apart from this, incremental demand also comes from the replacement of GI pipes installed in the existing projects.

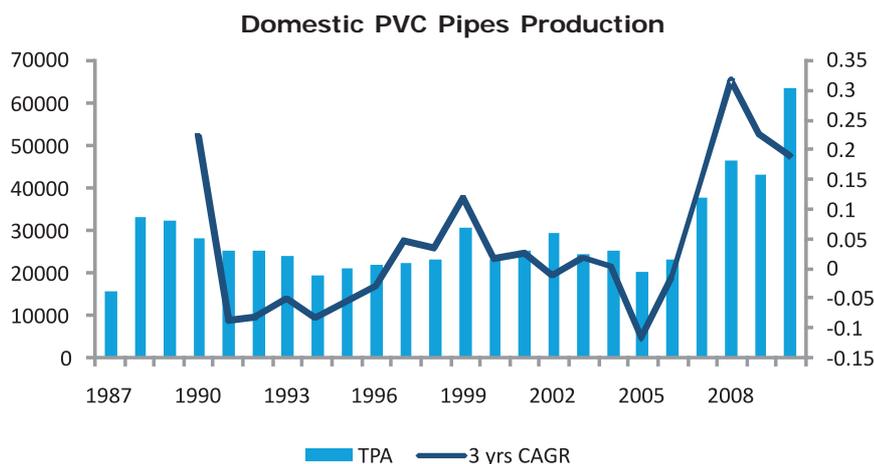
## Industry Scenario

The Indian Pipe Industry is mainly divided among three categories i.e. Steel pipes, Cement pipes and PVC (and other derivatives of PVC) pipes. Pipes are essential for transporting fluids like oil, water, gas and liquid waste. According to some reports, Oil & Gas sector is a major driver of demand of pipes and accounts for almost 50% of the total pipes demand followed by construction sector at 30% and remaining 20% demand comes from government programmes.

*Pipes are essential for transporting fluids like oil, water, gas and liquid waste.*

Demand of PVC/CPVC pipes is expected to remain strong owing to increasing population and urbanization which results in massive need for drinking water supply and sanitation. The government of India's focus on irrigation to increase the agricultural productivity also drives demand of pipes. Increasing applicability of PVC pipes for different purposes also results in incremental demand.

PVC/CPVC pipes are also increasingly used in the real estate sector. Over the next few years, it is expected that there will be a shortage of more than 25 million housing units which should further spurt the demand of PVC pipes.



Sources: - Company, Anagram research

According to a latest research done by CARE Research, the demand of PVC and Cement pipes is likely to increase at a CAGR of 12-14% over the next five years.

*The per capita consumption of plastics in India which stood at 6kg in 2009, is expected to be around 12 kg by end FY11.*

The per capita consumption of plastics in India which stood at 6kg in 2009, is expected to be around 12 kg by end FY11. As per some estimates, by FY12, India is expected to be the third largest consumer market for plastic goods with consumption of 12.5 million tons per annum after US (38.9 mTPA) and China (38.8 mTPA)

## Company Profile

Astral Polytechnik Ltd is a leading PVC (polyvinyl chloride) and CPVC (chlorinated polyvinyl chloride) manufacturer in the country for more than a decade. The company has production facilities in Gujarat and Himachal Pradesh where it produces pipes and fitting respectively.

It's the first licensee of Lubrizol (USA) for manufacturing CPVC pipes and fittings in India and also has JV (14% stake) for technical collaboration with Speciality Process LLC of US. Astral has license to manufacture the branded products of Lubrizol like 'Corzan', 'Blazemaster', 'Bendabale' and 'FlowGuard' of which for the first two products, no other company in the country has license of production where as for the later 2 products there are only a couple of other players with Lubrizol Licensing.

*It's the first licensee of Lubrizol (USA) for manufacturing CPVC pipes and fittings in India and also has JV (14% stake) for technical collaboration with Speciality Process LLC of US.*

## Key Management Profile

### Mr. K. R. Shenoy, Chairman

Mr. K. R. Shenoy (67) is M.Sc.(Statistics) from Mumbai University. He served in various positions and retired as an Executive Director of Corporation Bank in 1997. He was also the Chairman & CEO of the Lakshmi Vilas Bank Limited, Karur, Tamil Nadu till 2002. Presently he is a Director of an NGO in Bangalore and a member of Executive Committee of Bhartiya Vidya Bhavan, Manglore. He possess experience of 37 years in the Banking Sector.

### Mr. Sandeep P. Engineer, Managing Director

Mr. Sandeep P. Engineer (49) is a Chemical Engineer by qualification. In the year 1992, he promoted Kairav Chemicals Private Limited, a pharmaceutical venture for the manufacture of bulk drugs. Inspired by the success of this venture, he diversified into the business of plastic-pipe industry by collaborating with Specialty Process LLC, for introduction of CPVC in the Indian markets, thereby revolutionizing the Indian plastic-pipe industry by replacing the conventional metallic system with polymers products. Under his guidance, the Company has witnessed a steady growth over the years.

### Mr. Hiranand Savlani, CFO

Mr. Hiranand Savlani (42) is Chartered Accountant, Company Secretary, ICWA and a Law graduate by qualification , He was rank holder and Gold Medalist in CA. In 2003 he joined the company on full time basis and eventually took over responsibility of accounts and finance department. In his career spanning over 18 years he was associated with KALPATARU POWER, Major Brands India having International Brands like MANGO (MNG), NINEWEST, ALDO, PROMOD etc among other prominent organizations. His experience and dedication has made him an invaluable part of the Company.

Product Name	Plastic Type	Type of Application	Features
Flowguard	CPVC	Hot & Cold Water Distribution System	Approved by BMC and CPWD, Corrosion resistant, Lower bacterial growth, tough & rigid material
Corzan	CPVC	Industrial Piping System	Internal & external corrosion resistance, chemical resistant, ability to withstand tough industrial environment, low thermal conductivity, better UV resistance
Aquarius	uPVC	Cold water, Outer Loop Lines	Lead free i.e. non toxic, high strength to weight ratio, easy to install
Under ground	PVC	Drain & Sewer System	Economical, strong impact resistant, wide range of under ground drainage, sewer
Aquatek	ABS material	General Plumbing Solutions	Tough, resilient, good weather resistance, non toxic and taint free
Blaze Master	CPVC	Fire Sprinklers	Superior hydraulics, easily connected to other sprinkler piping system, approved for more applications than any other non metallic system in the market
Ultradrain	PVC	Soil Waste & Rain Water	High Chemical & Corrosion resistant, High flow rates - no choking
Flowguard Bendable	CPVC /Aluminum	Potable Water	Easy to install, corrosion resistant plumbing system under slab, excellent combination of flexibility and rigidity, extra toughness provided by aluminium layer in the middle between two CPVC layers
Foamcore	uPVC	DWV & Underground Systems	Multilayer. PVC-FOAM PVC-PVC where middle layer gives strength, noise free

Sources:- Company, Anagram research

## Valuations

We like Astral Poly owing to 1) its undisputed 'market leader' status in CPVC pipes & fittings 2) expansion plans of almost doubling the capacity by FY12 end 3) restricted competition (in CPVC) due to limited access to a key raw material 4) strong product recognition due to approvals from the likes of NSF, BIS and ISI 5) solid distributors and dealers network across India and 6) massive demand of CPVC / PVC pipes in the country going forward from replacement (of GI pipes) and incremental market.

*Massive demand of CPVC / PVC pipes in the country going forward from replacement (of GI pipes) and incremental market.*

We had recommended a BUY rating on the stock in our research report dated 21st Jan 2010 at Rs 182 (Rs 91 - adjusted for stock split from RS 10 FV to Rs 5 FV) with a target price of Rs 280 (Rs 140 adjusted for split). The stock has doubled since then and currently trades at Rs 190 (FV Rs 5).

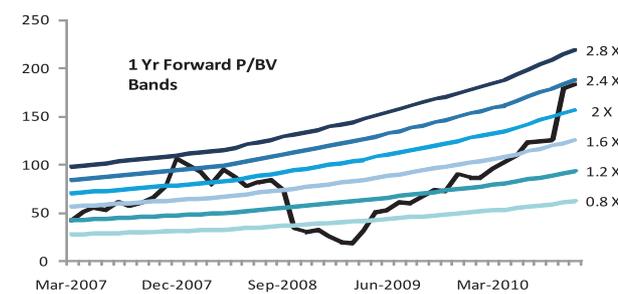
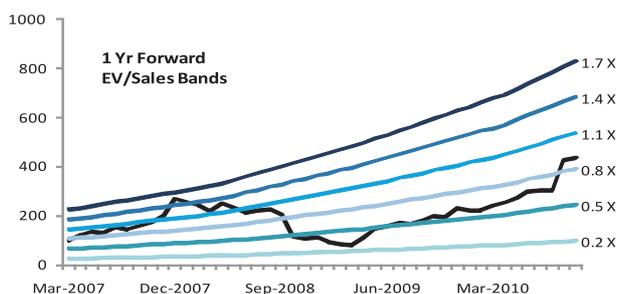
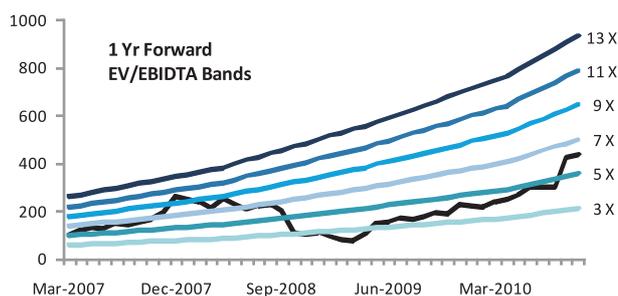
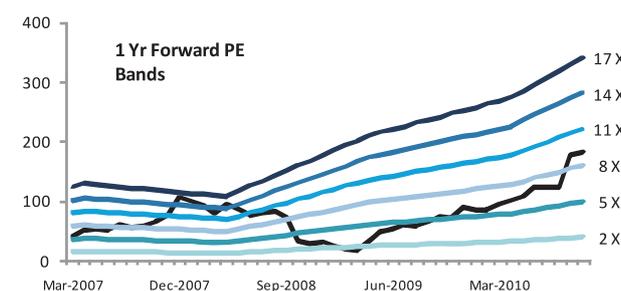
Our revised DCF based FY12 end target price of Rs 230 incorporates 5 years explicit forecast period, 28% CAGR in the top line during the explicit period, 3 % terminal growth and WACC of 12.2%.

Sensitivity of the DCF Valuation		Terminal Growth Rate				
		2.0%	2.5%	3.0%	3.5%	4.0%
Cost of Equity	10.2%	293	305	318	334	352
	11.2%	251	259	269	279	292
	12.2%	218	224	230	238	246
	13.2%	191	195	200	205	211
	14.2%	168	171	175	179	183

Sources:- Company, Anagram research

At the target price the stock will be trading at 9.6 times FY12E earnings. This valuation based on FY12E looks attractive and justified by the higher growth prospects of the company (38% and 37% CAGR in the top line and bottom line over FY10-FY13).

## Key One Year Forward Valuation Bands



Sources:- Company, Anagram research

## Investment Risks

### Dependence on Lubrizol for raw materials

Astral fulfills its entire need of a key raw material for manufacturing CPVC pipes - compounded CPVC resins - from Lubrizol. Apart from Astral, there are a couple of other companies which have license from Lubrizol to manufacture CPVC based pipes in the country. In future, if such license is given to other players, it may result in increased competition for CPVC based pipes & fittings and thus lower margins.

*In future, if such license is given to other players, it may result in increased competition for CPVC based pipes & fittings and thus lower margins.*

### Rupee Depreciation risk

Hence the company is importing CPVC resins from Lubrizol for manufacturing CPVC based pipes & fitting (65% of the sales), margins at operating levels may get adversely affected if rupee depreciates significantly.

## Company Financials Snapshot

### Profit and loss (Rs Cr.)

	2010	2011E	2012E	2013E
<b>Net Revenues</b>	<b>291.0</b>	<b>406.7</b>	<b>566.0</b>	<b>761.8</b>
Growth %	50.8	39.8	39.2	34.6
COGS	214.5	300.9	418.2	569.5
Gross Profit	76.5	105.8	147.8	192.2
Growth %	44.8	38.3	39.7	30.1
SG&A Expenses	33.7	47.2	62.8	83.9
<b>Core EBITDA</b>	<b>42.8</b>	<b>58.6</b>	<b>84.9</b>	<b>108.3</b>
Growth %	45.4	37.0	44.9	27.5
Other Income	4.3	0.6	0.7	0.9
EBITDA	47.0	59.2	85.7	109.2
Depreciation	8.6	10.4	12.3	13.6
<b>EBIT</b>	<b>38.4</b>	<b>48.8</b>	<b>73.4</b>	<b>95.6</b>
Growth %	78.2	26.9	50.4	30.2
Interest Exp	4.8	4.5	5.0	3.9
EBT	33.6	44.3	68.3	91.7
Tax	5.8	8.0	14.4	19.2
<b>Net Profit</b>	<b>27.8</b>	<b>36.3</b>	<b>54.0</b>	<b>72.4</b>
Growth %	95.7	30.7	48.7	34.1

### Cash Flow Statement (Rs Cr.)

	2010	2011E	2012E	2013E
EBT Before Extraord Items	33.7	44.3	68.3	91.7
Depreciation	8.6	10.4	12.3	13.6
Other Adjustments	0.5	4.0	4.3	3.0
Changes in WC	(12.5)	(3.9)	(46.6)	(32.1)
Tax Paid	(5.2)	(8.0)	(14.4)	(19.2)
<b>Cashflow from Operat.</b>	<b>25.2</b>	<b>46.7</b>	<b>24.0</b>	<b>56.9</b>
Capital Expenditure	(17.9)	(25.0)	(20.0)	(11.4)
Investments	(0.0)	(1.5)	(1.5)	0.0
Interest/Dividend & Other	0.4	0.6	0.7	0.9
<b>Cashflow from Invest</b>	<b>(17.4)</b>	<b>(25.9)</b>	<b>(20.8)</b>	<b>(10.5)</b>
Proceeds from Borrowings	1.2	5.0	10.0	(28.0)
Issue of Shares, QIP	0.0	0.0	0.0	0.0
Interest/Divid paid & Other	(7.5)	(5.8)	(8.4)	(8.9)
<b>Cashflow from Financing</b>	<b>(6.2)</b>	<b>(0.8)</b>	<b>1.6</b>	<b>(36.9)</b>
<b>Net Change in Cash</b>	<b>1.5</b>	<b>20.0</b>	<b>4.8</b>	<b>9.5</b>

Sources:- Company, Anagram research

### Balance Sheet (Rs Cr.)

	2010	2011E	2012E	2013E
Cash and Equi.	3.8	23.7	28.6	38.0
Receivables	67.4	88.6	144.1	189.9
Inventories	69.7	94.7	131.8	177.4
Loans and Advances	25.9	25.9	25.9	25.9
Investments	0.1	1.6	3.1	3.1
Gross Fixed Assets	111.2	136.2	156.2	167.6
Net Fixed Assets	87.8	102.4	110.2	108.0
CWIP	6.2	6.2	6.2	6.2
<b>Application of Funds</b>	<b>260.9</b>	<b>343.0</b>	<b>449.7</b>	<b>548.4</b>
Accounts Payable	83.0	124.8	170.6	229.6
Other Current Liabilities	0.4	0.8	1.0	1.3
Provisions	17.3	19.3	21.0	22.7
Deffered Tax Liabilities	1.7	1.7	1.7	1.7
Loan Funds	40.4	45.4	55.4	27.4
Reserves and Surplus	106.9	139.8	188.8	254.6
Equity Capital	11.2	11.2	11.2	11.2
<b>Sources of Funds</b>	<b>260.9</b>	<b>343.0</b>	<b>449.7</b>	<b>548.4</b>

### Financial Ratios

	2010	2011E	2012E	2013E
<b>Profitability</b>				
Core EBITDA margins	14.7	14.4	15.0	14.2
Net Profit Margins	9.5	8.9	9.5	9.5
<b>Return</b>				
ROE	26.3	27.0	30.8	31.1
ROCE	26.5	27.5	32.5	34.8
<b>Liquidity and Gearing</b>				
Cash Conversion Cycle	55.5	43.7	45.0	50.9
Current Ratio	2.0	1.9	1.9	1.9
Debt/Equity	0.3	0.3	0.3	0.1
Interest Cover	7.9	10.8	14.6	24.3
<b>Per Share</b>				
FD-EPS*	12.4	16.2	24.0	32.2
Operating CashflowPS	11.2	20.8	10.7	25.3
BVPS	52.6	67.2	89.0	118.3
<b>Valuation</b>				
Price/Earning	14.8	11.3	7.6	5.7
Price/BV	3.5	2.7	2.1	1.5

\* EPS for prior years adjusted for stock split from Rs 10 to Rs 5

## Disclaimer

This document has been prepared by Anagram Capital Ltd (Anagram). Anagram, its holding company and associate companies are a full service, brokerage group. This document does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is from publicly available data or other sources believed to be reliable, but we do not represent that it is accurate or complete and it should not be relied on as such. Anagram or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors. We and our affiliates, group companies, officers, directors, and employees may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as advisor or lender/borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions. This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Anagram and affiliates/ group companies to any registration or licensing requirements within such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law, and persons in whose possession this document comes, should inform themselves about and observe, any such restrictions. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. Anagram reserves the right to make modifications and alterations to this statement as may be required from time to time. However, Anagram is under no obligation to update or keep the information current. Nevertheless, Anagram is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Neither Anagram nor any of its affiliates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this document are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. Anagram Capital Limited generally prohibits its analysts, persons reporting to analysts and their dependents from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report. Pl. note that Mutual Fund Investments are subject to market risks, read the offer document carefully of the respective schemes before investing for full understanding and detail. Kindly read the Risk Disclosure Documents carefully before investing in Equity Shares, Derivatives, Commodities or other instruments. The information provided in these reports remains, unless otherwise stated, the copyright of Anagram. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright Anagram and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

## For Further Details

- Avinash Gorakshakar - Head Research

Tel.: -91-22-42198100

Email: [avinash.gorakshakar@anagram.co.in](mailto:avinash.gorakshakar@anagram.co.in)

## RATING INTERPRETATION :

**BUY** Expected to appreciate more than 20% over a 12-month period

**Accumulate** Expected to appreciate up to 20% over a 12-month period

**Neutral** Expected to remain in a narrow range

**SELL** Expected to depreciate more than 10% over a 12-month period

### Anagram Stock Broking Limited

C-10, Laxmi Towers, Bandra Kurla Complex, Bandra(E), Mumbai 400 051

**Regd. Office:** Anagram House, H.L. Commerce College – Stadium Road, Navrangpura, Ahmedabad – 380 009.

**Web Site:** [www.anagram.co.in](http://www.anagram.co.in)