

October 31, 2023

Q2FY24 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	HOLD		HOLD	
Target Price	550		650	
Sales (Rs.m)	4,60,702	4,96,411	5,41,237	5,83,049
% Chng.	(14.9)	(14.9)		
EBITDA (Rs.m)	98,444	1,11,225	1,14,954	1,29,939
% Chng.	(14.4)	(14.4)		
EPS (Rs.)	37.3	48.6	52.1	65.4
% Chng.	(28.5)	(25.8)		

Key Financials - Consolidated

Y/e Mar	FY23	FY24E	FY25E	FY26E
Sales (Rs. m)	5,35,760	4,60,702	4,96,411	5,35,174
EBITDA (Rs. m)	1,11,600	98,444	1,11,225	1,20,668
Margin (%)	20.8	21.4	22.4	22.5
PAT (Rs. m)	37,094	27,943	36,417	41,596
EPS (Rs.)	49.5	37.3	48.6	55.5
Gr. (%)	(2.8)	(24.7)	30.3	14.2
DPS (Rs.)	10.0	10.0	10.0	10.0
Yield (%)	1.9	1.9	1.9	1.9
RoE (%)	15.3	10.1	12.2	12.8
RoCE (%)	16.7	13.6	16.0	17.4
EV/Sales (x)	1.1	1.2	1.1	0.9
EV/EBITDA (x)	5.4	5.6	4.8	4.2
PE (x)	10.9	14.5	11.1	9.7
P/BV (x)	1.5	1.4	1.3	1.2

Key Data

UPLL.BO | UPLL IN

52-W High / Low	Rs.807 / Rs.528
Sensex / Nifty	63,875 / 19,080
Market Cap	Rs.406bn/ \$ 4,873m
Shares Outstanding	751m
3M Avg. Daily Value	Rs.1798.55m

Shareholding Pattern (%)

Promoter's	32.34
Foreign	33.57
Domestic Institution	17.27
Public & Others	16.81
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(12.3)	(27.0)	(26.0)
Relative	(9.6)	(30.1)	(29.6)

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Lackluster operating performance; outlook bleak

Quick Pointers:

- Volume/price growth of -15%/-7% YoY respectively.
- Net debt stood at Rs336.8bn (including perpetual bond of Rs29.8bn), up Rs45.0bn QoQ and up Rs21.9bn YoY.

We trim our FY24E/25E/26E estimates by 29%/26%/25% and maintain HOLD factoring in subdued growth and margin outlook in the near term primarily led by a) high inventory levels in key regions; b) adverse weather conditions impacting demand; and c) falling RM cost scenario exerting pressure on realizations & margins. UPL reported weak set of numbers below our and consensus estimates with Revenue/EBITDA/PAT loss of Rs101.7bn/Rs15.8bn/ Rs-1.2bn (-19%/-43%/-114%YoY). Citing bleak demand environment globally coupled with pressure on realizations & margins, UPL has revised downward their revenue growth guidance to flat growth YoY (earlier +1-5%) and +0 to -5% for EBITDA growth (earlier +3-7%) in FY24E. Company has highlighted that the gross debt is expected to come down by USD500mn in FY24E. We expect Revenue/PAT CAGR of 8%/22% over FY24-26E. Maintain HOLD with revised TP of INR550 (earlier Rs650) based on 10X FY26E EPS.

- All geographies posted negative growth:** Consolidated revenues at Rs101.7bn (-19% YoY) and were below our and consensus. Price/Volume/Fx for 2Q'24 stood at -15%/-7%/+3% YoY. All regions posted negative growth with LATAM/ Europe/NAFTA/India/ROW declining by 17%/7%/57%/23%/4% YoY growth. Subdued performance was largely on the back of a) significant decline in non-selective herbicides volume (particularly in LATAM and NAFTA); b) product specific bans in Europe (bifenazate- contributing to ~USD24mn last year) and c) higher channel de-stocking coupled with aggressive price competition from china.
- Margins continue to be under pressure:** UPL reported 520bps YoY contraction in gross margins to 48.6% primarily led by provisions of high cost inventory and higher sales return. Gross margin compression was despite higher contribution of differentiated products at 36% vs 27% last year to the overall CP revenues. Absolute EBITDA declined by 43% YoY to Rs15.8bn with margins down 660bps YoY to 15.5%. Adjusted PAT loss came in at Rs-1.2bn as against PAT of Rs8.5bn. Going forward, UPL is undertaking a cost reduction initiative of USD 100 mn over the next two years, with 50% being realized in FY24.
- Net debt up Rs45.0bn QoQ:** As on 30th September-23 net debt stood at Rs336.8bn (incl. perpetual bond of Rs29.9bn, considered as equity), up Rs21.9bn YoY and up Rs45.0bn sequentially management alluded that company's average cost of debt stood at 7% for 2QFY24. Further, the company has highlighted that the gross debt is expected to come down by USD500mn in FY24E.

Key Highlights

UPL Corporation - Disappointing 1H; expect recovery in 2HFY24

- UPL Corp. posted 20% YoY decline in revenues to Rs7.41bn (price/volume/Fx of -25%/+1%/+4%) in 2Q'24. Revenue decline was largely on the back of significant decline in herbicide volumes and prices and product specific bans in Europe.
- However, management alluded that differentiated products continue to outperform with launch of new products like evolution and feroce. Further, revenue contribution of differentiated products has increased from 27% to 36% to the overall revenues in Q2FY24 with volume growth of 17%.
- Going forward, management cited that channel inventory in key regions like Europe, Asia and LATAM (Ex-Brazil) has largely normalized and expects to deliver better profitability in H2FY24 Vs H1FY23.
- Also, on cost optimization company expects to realize USD100mn cost savings over next two years. Major savings of USD50mn is likely to be realized in H2FY24.

Region-wise performance:

- **LATAM-Brazil plays a spoilsport:** UPL reported revenue of Rs50.3bn in 2QFY24 down by 17% YoY primarily driven by de-growth in brazil market particularly in the non-selective herbicides segment. However, company has experienced growth in regions like Mexico and Argentina led by volumes across portfolios. Differentiated products continue to gain traction led by new product launches like Evolution Feroce.
- **Europe-Product specific bans and higher inventory dampens the performance:** UPL posted 7% YoY decline in revenues to Rs12.6bn primarily led by a) higher channel inventory; and b) product ban (like bifenazate-contributed to ~USD24mn in last year).
- **North America-Non-selective herbicide portfolio impacted by lower volumes and prices:** UPL posted revenues of Rs5.1bn down 57% YoY primarily led by significant down trading from the channel partners. Non-selective herbicides were impacted due to pricing pressure from China; while other products such as Glufosinate, Metolachlor, Clethodim products were impacted due to lower volumes and pricing pressure.
- **RoW-:** UPL posted 2% revenue growth in the RoW region primarily led by strong growth in regions like China and Japan.
- **UPL SAS (Domestic crop protection business)-Lower acreages and higher sales returns impacted performance:** UPL SAS reported 36% decline YoY, (price/volume decline of -9/-27%) led by dry spells during the quarter (particularly August), lower acreages for key crops like (Cotton, pulses) coupled with high sales returns due to higher channel inventory. EBITDA margin came in at 3.6% down by 152bps YoY. Nurture platform reported Revenue and EBITDA loss of Rs270mn/Rs(260)mn as against

Revenue/EBITDA of Rs330mn/Rs(680)mn during 2QFY23. Going forward management expects significant improvement in 2nd half led by new product launches and improvement in demand.

- **Advanta Seeds- Healthy traction in revenue and EBITDA:** Advanta seeds reported 10% YoY growth in revenues to Rs10.7bn (Price/Vol/Fx of +5%/+1%/+4%) primarily driven by a) higher volumes and improved realizations in corn, sunflower, canola, sorghum & vegetable portfolios, was partially offset by volume reductions in key areas like Brazil, Australia and Ecuador. b). EBITDA margins declined by 330bps YoY to 24.8% due to higher employee costs. Going forward, management maintained cautious stance for the upcoming quarter owing to impact of EL-Nino in major geographies, however maintains guidance for FY24E.
- **Net working capital-** NWC has increased by 25 days YoY to 149 days led by a) reduction in non-recourse factoring by Rs5.8bn YoY; b) lower payable days by 26 days.
- **Guidance revised downwards for FY24E:** UPL (consolidated entity) has revised downward its revenue/ EBITDA growth guidance for FY24E to flat growth and +0 to -5% YoY as against the earlier revenue/EBITDA guidance of +1-5% and +3-7%. Capex guidance has been revised downward to USD250-275mn for FY24E as against earlier guidance of USD300-325mn.

Exhibit 1: Q2FY24 Result Overview (Rs mn)

Y/e March	2QFY24	2QFY23	YoY gr. (%)	1QFY24	QoQ gr. (%)	1HFY24	1HFY23	YoY gr. (%)
Revenue	1,01,700	1,25,070	(18.7)	89,630	13.5	1,91,330	2,33,280	(18.0)
Raw material costs	52,320	57,810	(9.5)	39,300	33.1	91,620	1,04,450	(12.3)
Gross profit	49,380	67,260	(26.6)	50,330	(1.9)	99,710	1,28,830	(22.6)
Employee costs	12,510	12,330	1.5	12,400	0.9	24,910	24,770	0.6
Other expenses	21,120	27,250	(22.5)	22,010	(4.0)	43,130	52,950	(18.5)
Total operating expenses	33,630	39,580	(15.0)	34,410	(2.3)	68,040	77,720	(12.5)
EBITDA	15,750	27,680	(43.1)	15,920	(1.1)	31,670	51,110	(38.0)
Depreciation	6,570	6,080	8.1	6,360	3.3	12,930	11,960	8.1
EBIT	9,180	21,600	(57.5)	9,560	(4.0)	18,740	39,150	(52.1)
Less: Interest Expense	8,710	6,440	35.2	7,000	24.4	15,710	11,630	35.1
Add: Other income	-1,450	-2,460	NA	-2,180	NA	-3,630	-3,700	NA
Profit Before Tax	-980	12,700	(107.7)	380	(357.9)	-600	23,820	(102.5)
Less: Provision for Tax	-803	2,387	(133.7)	-1,563	(48.6)	-2,366	3,118	(175.9)
Less: Minority Interest	1,000	1,820	(45.1)	-70	(1,528.6)	930	2,800	(66.8)
Adjusted Profit	-1,177	8,493	(113.9)	2,013	(158.5)	836	17,902	(95.3)
Add: Exceptional items (net of tax)	713	353	102.3	353	102.3	1,066	992	7.4
Reported Profit	-1,890	8,140	(123.2)	1,660	(213.9)	-230	16,910	(101.4)
Adjusted EPS	(1.5)	11.1	(113.9)	2.6	(158.5)	13.9	23.4	(40.5)
As % of revenues								
COGS	51.4	46.2		43.8		47.9	44.8	
Gross profit	48.6	53.8		56.2		52.1	55.2	
Employee costs	12.3	9.9		13.8		13.0	10.6	
Other expenses	20.8	21.8		24.6		22.5	22.7	
Total operating expenses	33.1	31.6		38.4		35.6	33.3	
EBITDA	15.5	22.1		17.8		16.6	21.9	
Net profit	(1.2)	6.8		2.2		0.4	7.7	

Source: Company, PL

Exhibit 2: Lower volumes + lower realizations = Negative growth

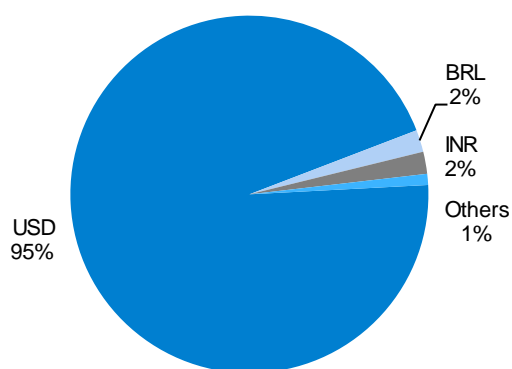
	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Volume growth	15	11	3	6	(7)	1	1	(9)	(7)
Realization impact	3	13	19	18	21	13	(3)	(10)	(15)
Forex impact	0	0	2	3	4	7	6	2	3
Total (%)	18	24	24	27	18	21	4	(17)	(19)

Source: Company, PL

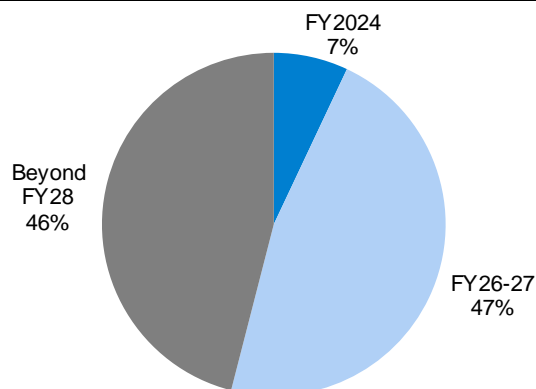
Exhibit 3: All geographies posted Negative revenue growth

Geography	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
NAFTA	9,580	21,170	35,120	17,960	11,850	27,450	30,090	8,700	5,070
India	14,830	9,070	13,840	20,670	18,080	10,750	15,880	20,540	13,870
Europe	13,360	14,060	26,290	17,280	13,540	14,440	28,000	12,590	12,630
ROW	17,020	21,850	25,750	17,650	20,670	24,410	27,280	18,140	19,800
LATAM	50,880	46,830	57,610	34,640	60,920	59,740	64,440	29,650	50,330
Total Sales	1,05,670	1,12,980	1,58,610	1,08,200	1,25,060	1,36,790	1,65,690	89,620	1,01,700
NAFTA	23.9	56.6	38.3	47.1	23.7	29.7	(14.3)	(51.6)	(57.2)
India	5.3	0.1	62.6	8.0	21.9	18.5	14.7	(0.6)	(23.3)
Europe	30.7	25.5	2.0	13.5	1.3	2.7	6.5	(27.1)	(6.7)
ROW	13.2	15.1	24.8	30.7	21.4	11.7	5.9	2.8	(4.2)
LATAM	20.2	21.7	20.9	38.2	19.7	27.6	11.9	(14.4)	(17.4)

Source: Company, PL

Exhibit 4: Debt Profile of UPL- By Currency


Source: Company, PL

Exhibit 5: Debt Profile of UPL- By Maturity


Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Net Revenues	5,35,760	4,60,702	4,96,411	5,35,174
YoY gr. (%)	15.9	(14.0)	7.8	7.8
Cost of Goods Sold	2,72,810	2,30,812	2,43,242	2,62,235
Gross Profit	2,62,950	2,29,890	2,53,170	2,72,939
Margin (%)	49.1	49.9	51.0	51.0
Employee Cost	50,560	44,227	47,656	50,842
Other Expenses	80,690	72,937	79,397	85,909
EBITDA	1,11,600	98,444	1,11,225	1,20,668
YoY gr. (%)	9.8	(11.8)	13.0	8.5
Margin (%)	20.8	21.4	22.4	22.5
Depreciation and Amortization	25,470	27,990	29,911	31,833
EBIT	86,130	70,454	81,313	88,835
Margin (%)	16.1	15.3	16.4	16.6
Net Interest	29,630	30,100	28,400	28,400
Other Income	(4,870)	(2,050)	(2,300)	(2,300)
Profit Before Tax	51,630	38,304	50,613	58,135
Margin (%)	9.6	8.3	10.2	10.9
Total Tax	7,666	5,746	7,592	8,720
Effective tax rate (%)	14.8	15.0	15.0	15.0
Profit after tax	43,964	32,559	43,021	49,414
Minority interest	8,440	6,186	8,174	9,389
Share Profit from Associate	1,570	1,570	1,570	1,570
Adjusted PAT	37,094	27,943	36,417	41,596
YoY gr. (%)	(4.7)	(24.7)	30.3	14.2
Margin (%)	6.9	6.1	7.3	7.8
Extra Ord. Income / (Exp)	(1,394)	(2,000)	(2,000)	(2,000)
Reported PAT	35,700	25,943	34,417	39,596
YoY gr. (%)	(1.5)	(27.3)	32.7	15.0
Margin (%)	6.7	5.6	6.9	7.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	35,700	25,943	34,417	39,596
Equity Shares O/s (m)	750	750	750	750
EPS (Rs)	49.5	37.3	48.6	55.5

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Non-Current Assets				
Gross Block	3,38,840	3,58,840	3,83,480	4,08,120
Tangibles	2,25,180	2,45,180	2,69,820	2,94,460
Intangibles	1,13,660	1,13,660	1,13,660	1,13,660
Acc: Dep / Amortization	1,34,480	1,62,470	1,92,381	2,24,214
Tangibles	1,34,480	1,62,470	1,92,381	2,24,214
Intangibles	-	-	-	-
Net fixed assets	2,04,360	1,96,370	1,91,099	1,83,906
Tangibles	90,700	82,710	77,439	70,246
Intangibles	1,13,660	1,13,660	1,13,660	1,13,660
Capital Work In Progress	11,970	11,970	11,970	11,970
Goodwill	1,98,980	1,98,980	1,98,980	1,98,980
Non-Current Investments	15,780	15,780	15,780	15,780
Net Deferred tax assets	1,990	1,990	1,990	1,990
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	460	460	460	460
Inventories	1,39,850	1,18,252	1,23,287	1,32,914
Trade receivables	1,82,240	1,57,775	1,70,004	1,83,279
Cash & Bank Balance	60,970	73,815	65,995	75,935
Other Current Assets	-	-	-	-
Total Assets	8,85,770	8,46,789	8,53,301	8,81,405
Equity				
Equity Share Capital	1,500	1,500	1,500	1,500
Other Equity	2,67,080	2,83,985	3,09,365	3,39,923
Total Networkth	2,68,580	2,85,485	3,10,865	3,41,423
Non-Current Liabilities				
Long Term borrowings	2,31,300	1,96,300	1,66,300	1,46,300
Provisions	-	-	-	-
Other non current liabilities	12,880	12,880	12,880	12,880
Current Liabilities				
ST Debt / Current of LT Debt	28,550	28,550	28,550	28,550
Trade payables	1,76,140	1,50,502	1,56,608	1,68,836
Other current liabilities	87,850	92,603	97,629	1,02,946
Total Equity & Liabilities	8,85,770	8,46,789	8,53,301	8,81,405

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
PBT	51,500	38,304	50,613	58,135
Add. Depreciation	25,470	27,990	29,911	31,833
Add. Interest	29,840	30,100	28,400	28,400
Less Financial Other Income	(4,870)	(2,050)	(2,300)	(2,300)
Add. Other	(2,990)	(4,566)	(6,304)	(7,519)
Op. profit before WC changes	1,03,820	91,828	1,02,621	1,10,849
Net Changes-WC	(13,690)	22,951	(8,472)	(7,812)
Direct tax	(12,620)	(5,746)	(7,592)	(8,720)
Net cash from Op. activities	77,510	1,09,033	86,557	94,317
Capital expenditures	(22,890)	(20,000)	(24,640)	(24,640)
Interest / Dividend Income	2,050	(2,050)	(2,300)	(2,300)
Others	5,940	-	-	-
Net Cash from Inv. activities	(14,900)	(22,050)	(26,940)	(26,940)
Issue of share cap. / premium	-	-	-	-
Debt changes	32,210	(35,000)	(30,000)	(20,000)
Dividend paid	(21,050)	(9,038)	(9,038)	(9,038)
Interest paid	(23,450)	(30,100)	(28,400)	(28,400)
Others	(49,980)	-	-	-
Net cash from Fin. activities	(62,270)	(74,138)	(67,438)	(57,438)
Net change in cash	340	12,845	(7,820)	9,940
Free Cash Flow	53,910	89,033	61,917	69,677

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Net Revenue	1,36,790	1,65,690	89,630	1,01,700
YoY gr. (%)	21.1	4.5	(17.2)	(18.7)
Raw Material Expenses	64,540	98,210	39,300	52,320
Gross Profit	72,250	67,480	50,330	49,380
Margin (%)	52.8	40.7	56.2	48.6
EBITDA	30,340	30,150	15,920	15,750
YoY gr. (%)	13.8	(16.1)	(32.1)	(43.1)
Margin (%)	22.2	18.2	17.8	15.5
Depreciation / Depletion	6,240	7,270	6,360	6,570
EBIT	24,100	22,880	9,560	9,180
Margin (%)	17.6	13.8	10.7	9.0
Net Interest	9,810	8,450	8,170	8,910
Other Income	520	(1,430)	(1,010)	(1,250)
Profit before Tax	14,810	13,000	380	(980)
Margin (%)	10.8	7.8	0.4	(1.0)
Total Tax	1,386	3,162	(1,563)	(803)
Effective tax rate (%)	9.4	24.3	(411.2)	82.0
Profit after Tax	13,424	9,838	1,943	(177)
Minority interest	2,390	1,680	(70)	1,000
Share Profit from Associates	-	-	-	-
Adjusted PAT	11,034	8,158	2,013	(1,177)
YoY gr. (%)	12.7	(46.2)	(78.6)	(113.9)
Margin (%)	8.1	4.9	2.2	(1.2)
Extra Ord. Income / (Exp)	(164)	(238)	(353)	(713)
Reported PAT	10,870	7,920	1,660	(1,890)
YoY gr. (%)	16.1	(42.6)	(81.1)	(123.2)
Margin (%)	7.9	4.8	1.9	(1.9)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	10,870	7,920	1,660	(1,890)
Avg. Shares O/s (m)	765	765	765	765
EPS (Rs)	14.4	10.7	2.6	(1.5)

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY23	FY24E	FY25E	FY26E
Per Share(Rs)				
EPS	49.5	37.3	48.6	55.5
CEPS	83.4	74.6	88.4	97.9
BVPS	358.1	380.6	414.5	455.2
FCF	71.9	118.7	82.6	92.9
DPS	10.0	10.0	10.0	10.0
Return Ratio(%)				
RoCE	16.7	13.6	16.0	17.4
ROIC	16.1	13.5	15.7	17.4
RoE	15.3	10.1	12.2	12.8
Balance Sheet				
Net Debt : Equity (x)	0.7	0.5	0.4	0.3
Net Working Capital (Days)	99	99	101	101
Valuation(x)				
PER	10.9	14.5	11.1	9.7
P/B	1.5	1.4	1.3	1.2
P/CEPS	6.5	7.2	6.1	5.5
EV/EBITDA	5.4	5.6	4.8	4.2
EV/Sales	1.1	1.2	1.1	0.9
Dividend Yield (%)	1.9	1.9	1.9	1.9

Source: Company Data, PL Research

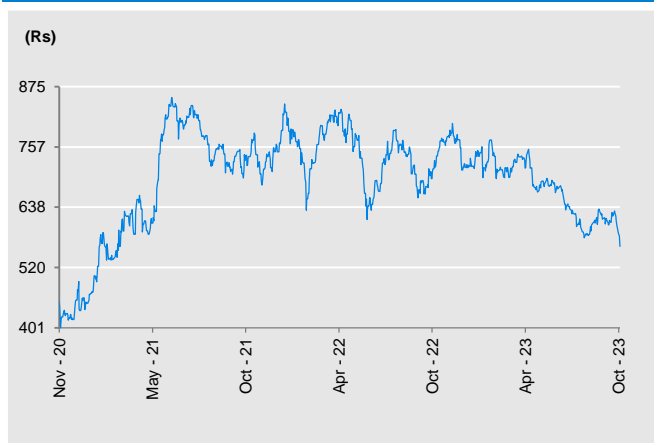
Key Operating Metrics

Y/e Mar	FY23	FY24E	FY25E	FY26E
Revenues	5,35,750	4,60,702	4,96,411	5,35,174
India	65,390	66,698	73,368	80,704
LAAtAM	2,19,750	1,86,788	2,05,466	2,26,013
Europe	73,240	62,986	66,136	69,443
Rest of World	90,020	91,820	96,411	1,01,232
North America	87,350	52,410	55,031	57,782

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Oct-23	Hold	650	612
2	01-Aug-23	Hold	650	625
3	06-Jul-23	BUY	850	670
4	09-May-23	BUY	850	715
5	11-Apr-23	BUY	1,070	735
6	31-Jan-23	BUY	1,070	757
7	05-Jan-23	BUY	1,070	720
8	01-Nov-22	BUY	1,070	717

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	365	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	220	254
20	Mahanagar Gas	Hold	1,065	1,015
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	Hold	208	202
28	Rallis India	Reduce	190	217
29	Reliance Industries	BUY	2,618	2,266

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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