

## Company Background

Rallis, a TATA Enterprise is a subsidiary of Tata Chemicals, with its business presence in the Farm Essentials vertical. It is one of India's leading crop care companies. The company's 2,300 distributors reach more than 40,000 retail counters across the country covering more than 80% of India's districts.

Rallis is known for its deep understanding of Indian agriculture, sustained contact with farmers, quality agrochemicals, branding and marketing expertise and its strong product portfolio of comprehensive crop care solutions. Rallis is closely connected to around 1 Million farmers through Rallis Kisan Kutumb programme. It is estimated that around 5 Million+ farmers benefit from the agriculture solutions provided by Rallis

Source: Company Website

## The Story so far.....

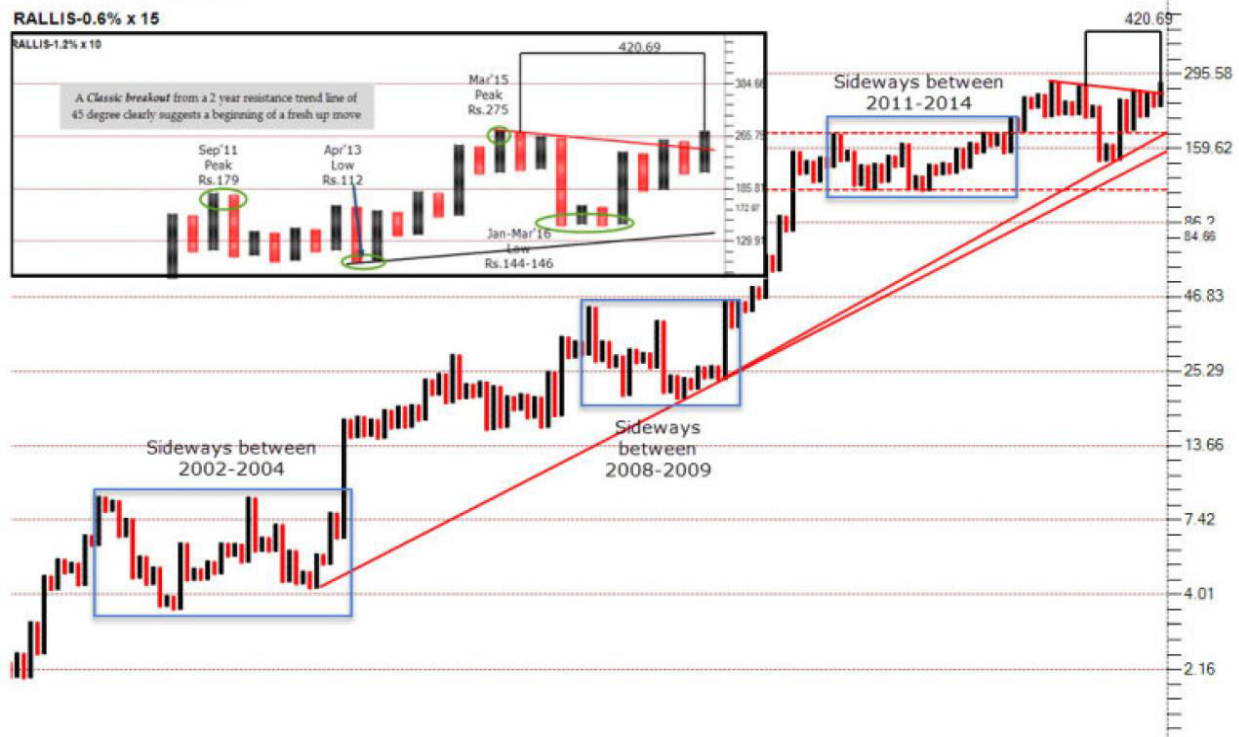
After having bottomed out at Rs.1.95/- in Jun'01, the stock has been a steady performer for the past 17 years typically exhibiting constant periods of rallies and thereafter followed by sideways movement.

### Rallies

- May'01 - Jul'02
- Jun'04 - Nov'05
- Jan'09 - Oct'11
- Apr'13 - Feb'15

At present the stock is coming out of a similar period of sideways congestion which began in Feb'15 and we expect the stock to do well in the next 1 year of so and generate an alpha of 50% or more for investors.

The expected breakout in Rallis India Limited has a potential to test the levels of Rs.418/- in next 9-12 months.



## What is changing?

The 0.6% x 15 Box PF, indicating strong signals of a continuation of an uptrend after trading sideways between 2015-2018. The recent breakout from the 45° resistance trend line is an indication of continuation of the uptrend which only reaffirms our faith in the stock. We also observe that the stock took support at the long term support trend line which only increases the strength of the breakout.

The recent correction from Rs.281/- to Rs.249/- was a shakeout and should be used to enter RALLIS as we expect the stock to do well in the next 9 months or so.

## What is in store?

We applied "horizontal count method", to ascertain the probable target for the uptrend in the stock and based on that, we expect the stock to trade around Rs.421/- or above in the next 9 months or more.

The stock has delivered approximately 10.71% CAGR since inception on NSE and a return of 12.5% CAGR in the past 5 years. We expect the stock to resume its uptrend and it appears to be a good time initiate longs in RALLIS at current levels of Rs.253/-

A good way of accumulating the stock would be spread the purchases evenly between Rs.238-264 and keep a stop loss around Rs.206/- on a closing basis.

Price	Value	Date	CAGR	Percentage	Years
All time High	298.65	03-Mar-2015	Since Inception -NSE	10.71	23.13
All time Low	1.94	29-Jun-2001	Jan-13	12.50	5.00
52 Week High	290.00	27-Dec-2017	<b>Details Recommendation</b>		
52 Week Low	205.00	29-Sep-2017	Recommendation	Buy	
Latest Close	252.45	23-Jan-2018	Closing Price	252.45	
Average 12M Closing	240.89	23-Jan-2018	Range	238-264	
<b>EMA</b>			Expected Target Price	421.00	
	<b>Value</b>	<b>Date</b>	Expected Return	66.77%	
Short Term	259.91	23-Jan-2018	Stop Loss	206.00	
Medium Term	248.13	23-Jan-2018	Expected Risk	-18.40%	
Long Term	238.32	23-Jan-2018	Minimum Holding Period	9 months	

For further enquiries please contact:  
research@inanisec.in

## Disclosures Appendix

### Analyst certification

The following analyst(s), who is (are) primarily responsible for this report, certify (ies) that the views expressed herein accurately reflect his (their) personal view(s) about the subject security (ies) and issuer(s) and that no part of his (their) compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report.

**Disclaimer** This report is for the personal information of the authorized recipient and does not constitute to be any investment, legal or taxation advice to you. INANI SECURITIES LIMITED, (hereinafter referred as INANI) is not soliciting any action based upon it. 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 intent of this document is not in a recommendatory nature. The views expressed are those of analyst and the Company may or may not subscribe to all the views expressed therein. The report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon such. INANI or any of its affiliates or employees 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 the report. Neither the firm, nor its director, employees, agents or representative shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profit that may arise from or in connection with the use of the information. INANI or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true and are for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company/ies makes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action. INANI Securities Ltd. and affiliates, including the analyst who have issued this report, may, on the date of this report, and from time to time, have long or short positions in, and buy or sell the securities of the company/ies mentioned herein or engage in any other transaction involving such securities and earn brokerage or compensation or act as advisor or have other potential conflict of interest with respect to company/ies mentioned herein or inconsistent with any recommendation and related information and opinions. INANI Securities Ltd. and affiliates may seek to provide or have engaged in providing corporate finance, investment banking or other advisory services in a merger or specific transaction to the company/ies referred to in this report, as on the date of this report or in the past. The author, directors and other employees of INANI and its affiliates may hold long or short positions in the above mentioned companies from time to time. Every employee of INANI and its associate companies are required to disclose their individual stock holdings and details of trades, if any, that they undertake. The team rendering corporate analysis and investment recommendations are restricted in purchasing/selling of shares or other securities till such a time this recommendation has either been displayed or has been forwarded to clients of Inani. We are sorry if this mail has caused any distraction. If you want to be removed from the mailing list then you must reply to this mail with "Remove" in the subject line and e-mail for faster response and action.

INANI reserves the right to make modification and alternations to this statement as may be required from time to time.

### Inani Securities Limited

NSE: Membership ID No.08571, SEBI Registration No. INB230857131, BSE: Membership No. 941, SEBI Registration No. INB010857135  
CDSL: Membership ID No. DP ID is 036200, SEBI Registration No. IN - DP - CDGL - 269 - 2004

"E/1408", 14th Floor, Naman Midtown, Next Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Mumbai - 400 013,  
India.

Tel: 91 22 43486000; Fax: 91-22-43486011

For More updates & Stock Research, visit [www.inanisec.in](http://www.inanisec.in)