The Elephant is Moving:
Investing in the Indian Markets
Amitabh Singhi, Surefin Investments
India: Non-correlated Growth
Smaller Companies are Ignored

Average Foreign Institutional Holding (FII) Holding

<table>
<thead>
<tr>
<th>MCAP ($Mn)</th>
<th>Percentage FII Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $10</td>
<td>0.1%</td>
</tr>
<tr>
<td>$10 - $100</td>
<td>4.7%</td>
</tr>
<tr>
<td>$100 - $250</td>
<td>10.0%</td>
</tr>
<tr>
<td>$250 - $500</td>
<td>11.8%</td>
</tr>
<tr>
<td>$500 - $1,000</td>
<td>13.4%</td>
</tr>
<tr>
<td>$1,000 - $10,000</td>
<td>13.8%</td>
</tr>
<tr>
<td>&gt; $10,000</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

Source: Bloomberg, Surefin Research
Smaller Companies are Under-Researched

% Companies with No Analyst coverage

Source: Bloomberg, Surefin Research
Opportunities Lie in Ignored Companies

<table>
<thead>
<tr>
<th>No. of Co’s</th>
<th>1332</th>
<th>850</th>
<th>68</th>
<th>30</th>
<th>14</th>
<th>11</th>
<th>1</th>
</tr>
</thead>
</table>

- % Companies with No Analyst coverage
- Average FII Holding 2010

Source: Bloomberg, Surefin Research
Many Companies Maybe Interesting - April 2013

Over 170 companies between $10 Mn to $250 Mn MCAP to choose from

Source: Surefin Research
India Will Add $1 Trillion to its GDP in 4 Years

Services 63%  Manufacturing 20%  Agriculture 17%

Source: Broker Research
VST Tillers

21x in 12 years  
XIRR of 33%\(^{(1)}\)

(1) Including Dividends
Asian Paints

25x in 12 years
XIRR of 32%⁽¹⁾

⁽¹⁾ Including Dividends
50%
Interior Infrastructure
Total Market Size $4 Bn

- Plywood $2.5 Bn
- Laminate $0.8 Bn
- MDF/PB $0.7 Bn
<table>
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<th>Product</th>
<th>Market Size (Bn)</th>
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<tr>
<td>Plywood</td>
<td>$2.5 Bn</td>
</tr>
<tr>
<td>Laminate</td>
<td>$0.8 Bn</td>
</tr>
<tr>
<td>MDF/PB</td>
<td>$0.7 Bn</td>
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Interior Infrastructure
Total Market Size $4 Bn

- Plywood: 20% Organized
- Laminate: 60% Organized
- MDF/PB: 100% (1)

(1) >50% is Imported
Largest Brand & Product Basket
catering to all segments of the market

Source: Greenply Investor Presentation, July 2012
13,000
7-Yr Revenue CAGR 34%
Profit CAGR 34%
Average RoE 23%
MCap $170 MM
50% Cheaper than Laminating Plywood

Freight + Duty

>20% Margin + RoCE

Very High RoE
13,000
- **FY’14 P/E - 7x**
- **FY’14 EV/EBIT – 7x**
- Debt to go down
- MDF to go 2.5x over 3 years
- May get excellent chances to buy
- High Leverage due to MDF Expansion in FY10-11

- Management is Aggressive for Growth
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