



SPEL ^ Effulgence | FY16 to be Extra Ordinary

Accumulation Strategy will be good

SPEL ~ FY16 to be extraordinary | Peg 0.33

- ✚ We expect FY15 EPS of Rs3.10 while payout is expected for final quarter that could be of Re0.50/sh
- ✚ Earnings growth expected to be 44%
- ✚ FY16 ^ we believe to be extra ordinary in terms of profitability
- ✚ Company might get some new contracts as they incurred massive CAPEX
- ✚ Increased demand for FMCG's will boost the demand for packaging products
- ✚ Consistent growth with effective business model makes SPEL more attractive

New Manufacturers ^ Establishing in market

New manufacturers of motorcycles are establishing themselves in local market while higher demand of cars allowing SPEL to increase its utilization.

- **FY16 ^ we believe that some new contracts could be there | Profitability to Rise**
- **SPEL | Incurring CAPEX ~ Materialization to be in FY16**
- **SPEL Pharmatec (Subsidiary) to perform well in future | Company deals in medical segment**

We expect SPEL to perform well in future hence we remain intact with our Buy call

SPEL | PEG 0.33 ^ Dividend yield 2%

- ❖ **Wide product portfolio**
- ❖ **Higher FMCG's demand**
- ❖ **Consistently improved margins**
- ❖ **Invest Rs88mn in additional Plant & machinery**
- ❖ **Locally extended demand of plastic products**
- ❖ **Dividend yield expected to rise in future**
- ❖ **SPEL Pharmatec ^ Company has a wide area to utilize**
- ❖ **Higher demand for plastic spare parts (higher demand for vehicles) | to grow in line with standard of living**

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