

Voltas

Refer to important disclosures at the end of this report

Continues to deliver ahead of expectations

- Voltas saw strong revenue growth across segments in Q3, beating our estimates by 10-37%. UCP revenue growth of 40% yoy (ahead of listed peers) in a seasonally lean quarter reflects channel filling ahead of price increases initiated in Jan'21.
- Revenue growth of 26% in the Projects business was a positive surprise, while margins were compressed by legacy project-based ECL provisioning. UCP EBIT growth and margin expansion (+235bps yoy) compensated for the weakness in EMPS.
- Due to commodity price inflation, Voltas has effected 5-6% price increases across UCP product categories. Favourable summers & sustained consumer demand will keep outperformance intact. Order book of ~Rs73bn continues to remain healthy.
- Given the strong Q3 print, we raise estimates across business segments, leading to 7-20% earnings upgrade for FY21-23E. Maintain Hold, with a revised FY23E SoTP-based TP of Rs1,100, as we raise the target multiple for UCP business to 48x from 40x.

UCP drives margin expansion: Revenue growth of 33.6% yoy to Rs19.9bn was driven by strong topline performance across business segments. Volume-led revenue growth in the UCP business (+39.8% yoy), pick-up in execution on a low base of EMPS (+25.8% yoy) and 46.4% yoy growth in EPS revenue have driven this strong outperformance. EBITDA margin expanded 78bps yoy to 7.3% as EBITDA stood at Rs1.5bn (+49.6% yoy). Despite strong revenue growth, employee cost was down 11% yoy. While ETR was lower (22.4% in Q3FY21 vs. 26.3% in Q3FY20), JV losses widened qoq to Rs201mn (Rs71mn in Q2FY21), which can be attributable to higher spends during festive period. PAT grew 46.3% yoy to Rs1.3bn.

Outlook: Voltas has been surprising positively with strong execution across business segments after Covid-19-related disruptions. Market share gains in 9MFY21 and continuous outperformance on a high base underscores the company's robust execution capabilities. A favorable upcoming summer season, market share gains, benign base (Q1FY21) and strong execution should continue to drive Voltas ahead of industry growth. The EMPS business has seen better-than-expected recovery on revenues, while provisions for legacy orders have been impacting profitability from the last five quarters. We are penciling a gradual margin recovery in EMPS and factor in 7% margins (lower than FY19 levels) in FY23. The order book remains robust at Rs72.7bn, providing strong revenue visibility. Voltas-Beko's focus is on maximizing production to meet increasing demand for DC refrigerators and plans are in place to start manufacturing frost-free refrigerators in the coming months, followed by top-load fully automatic washing machines as well as dishwashers. Expensive valuations restrict us for rating upgrade. **Key risks:** sustained market share gains in RACs; better-than-estimated performance of Volt-Bek; lower-than-estimated impact in the projects business; sustained commodity inflation and macroeconomic slowdown.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Consumer Durables \(Page 10\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	71,241	76,581	76,293	96,350	1,10,757
EBITDA	6,117	6,867	5,798	8,961	10,965
EBITDA Margin (%)	8.6	9.0	7.6	9.3	9.9
APAT	5,256	5,722	4,664	7,584	9,563
EPS (Rs)	15.9	17.3	14.1	22.9	28.9
EPS (% chg)	(8.9)	8.9	(18.5)	62.6	26.1
ROE (%)	13.1	13.6	10.4	15.2	16.9
P/E (x)	66.6	61.2	75.0	46.2	36.6
EV/EBITDA (x)	54.6	48.3	56.9	36.2	29.1
P/BV (x)	8.5	8.2	7.4	6.6	5.8

Source: Company, Emkay Research

CMP	Target Price
Rs 1,058 as of (February 15, 2021)	Rs 1,100 (▲) 12 months
Rating	Upside
HOLD (■)	4.0 %

Change in Estimates

EPS Chg FY21E/FY22E (%)	7/17
Target Price change (%)	46.7
Target Period (Months)	12
Previous Reco	HOLD

Emkay vs Consensus

EPS Estimates		
	FY21E	FY22E
Emkay	14.1	22.9
Consensus	13.9	21.5
Mean Consensus TP (12M)	Rs 918	

Stock Details

Bloomberg Code	VOLT IN
Face Value (Rs)	1
Shares outstanding (mn)	331
52 Week H/L	1,132 / 427
M Cap (Rs bn/USD bn)	350 / 4.82
Daily Avg Volume (nos.)	22,09,481
Daily Avg Turnover (US\$ mn)	27.3

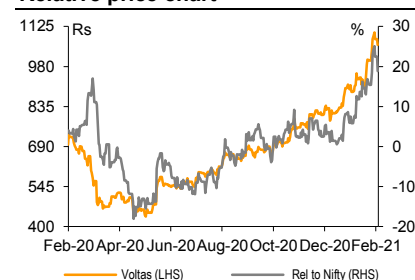
Shareholding Pattern Dec '20

Promoters	30.3%
FIIs	14.6%
DIIIs	37.4%
Public and Others	17.8%

Price Performance

(%)	1M	3M	6M	12M
Absolute	19	39	72	54
Rel. to Nifty	12	16	25	22

Relative price chart



Source: Bloomberg

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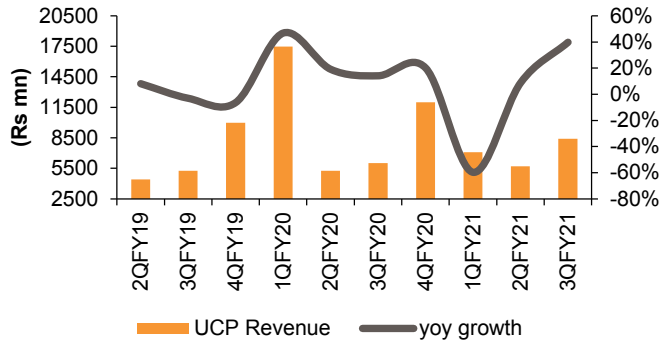
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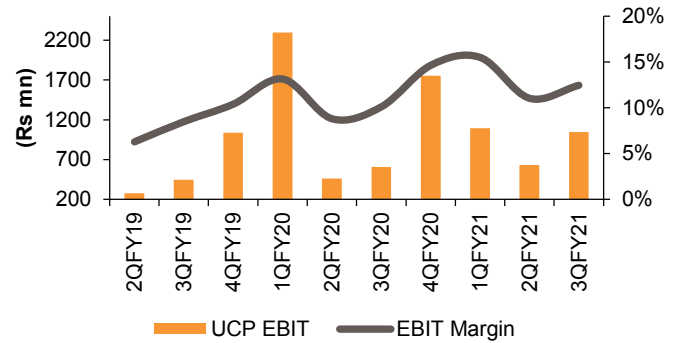
Story in Charts

Exhibit 1: Volume growth in RACs and commercial refrigerators drives UCP revenues



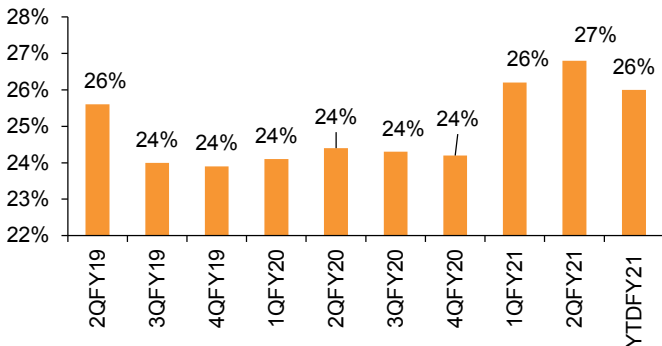
Source: Company, Emkay Research

Exhibit 2: Strong operating leverage with 235bps margin expansion



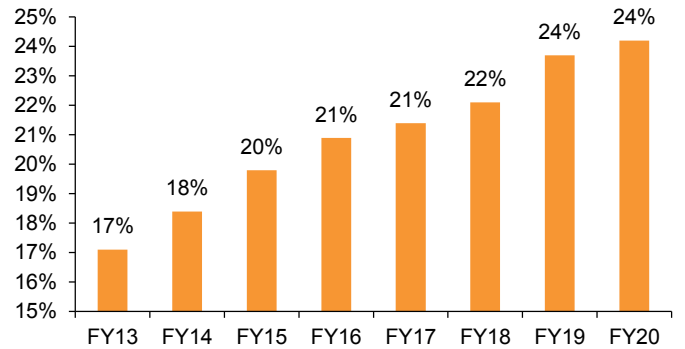
Source: Company, Emkay Research

Exhibit 3: Strong volume growth helps sustain market share



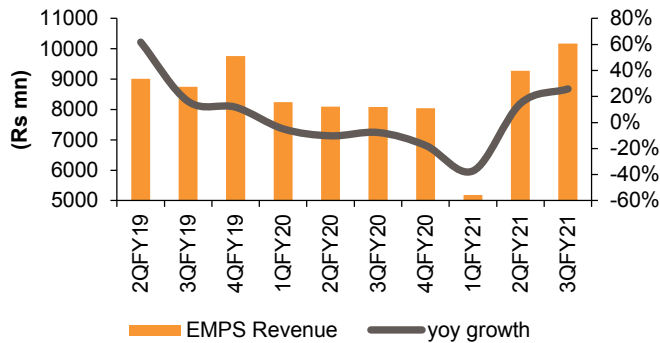
Source: Company, Emkay Research

Exhibit 4: RAC volume market share – annual



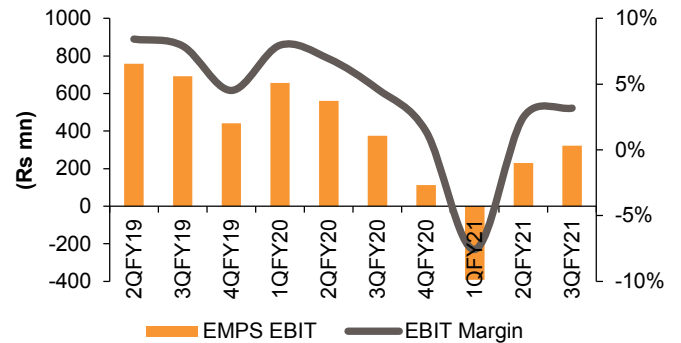
Source: Company, Emkay Research

Exhibit 5: Strong execution seen in EMPS business



Source: Company, Emkay Research

Exhibit 6: Legacy projects related provisioning hurt margins



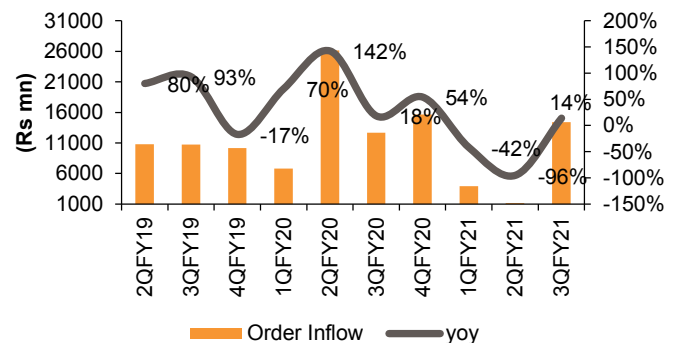
Source: Company, Emkay Research

Exhibit 7: Order book sees improvement on inflows



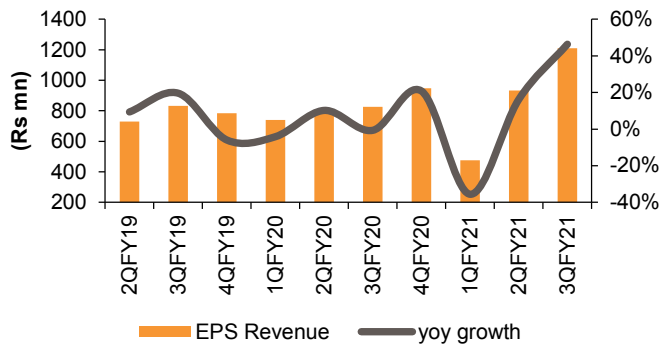
Source: Company, Emkay Research

Exhibit 8: Strong order inflow signals pick up in broader economy



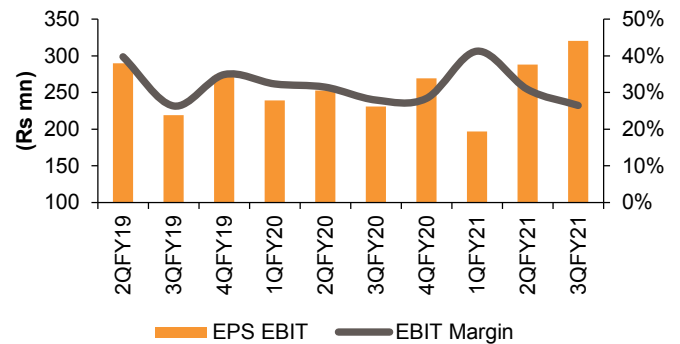
Source: Company, Emkay Research

Exhibit 9: Strong EPS revenue growth of 46.4% yoy



Source: Company, Emkay Research

Exhibit 10: EBIT margin saw a 147bps dip in the quarter



Source: Company, Emkay Research

Other highlights

UCP segment

- Revenue growth of 39.8% yoy to Rs8.4bn was driven by volume growth of 40% (RAC +43%; Commercial refrigeration +100%; and Air-Coolers +11%). The RAC business market share stood at 26% in Dec'20 YTD.
- Focus on the inverter category with competitive pricing and larger number of SKUs has yielded strong results. **Inverter growth was 75% ahead of the previous year and now contributes more than 60% of all ACs sold vs. 49% in the comparative period a year ago.** That apart, Voltas has also achieved leadership position in the Inverter category, with an exit market share of 21.8% as of Dec'20. **In the AC market, Voltas continues to be the leader with a market share of 26% YTD at multi-brand outlets.**
- Air cooler performance was satisfactory, with 11% yoy growth. Increased number of variants and SKUs, together with appropriate trade schemes, have helped secure a wider distribution footprint across the sub-dealer network. Based on Nov'20 exit numbers, Voltas now enjoys the No.2 position, with a market share of 13.2%.
- EBIT improvement was driven by better product mix amid cost efficiencies, coupled with lower holding cost of carry forward inventories. The EBIT margin expansion of 240bps yoy (at 12.5%) saw improved EBIT of Rs1.04bn vs. Rs607mn in Q3FY21.

EMPS segment

- The EMPS business saw strong execution with revenue growing 25.8% yoy to Rs10.16bn.
- EBIT stood at Rs322.2mn vs. Rs374mn in Q3FY20. EBIT margin contracted 146bps yoy to 3.2%. The margin impact could be attributed to conservative time-based provisions and liquidity constraints on certain legacy projects.
- Order inflows for the quarter was Rs7bn from both Domestic and International markets. The carry forward order book for Domestic projects at Rs47.9bn contained a bouquet of orders across Water, HVAC, Rural Electrification and Urban infra activities. The international order book of Rs24.8bn represents MEP work, mainly across the UAE, Qatar and Oman.

Volt-Bek

- The company successfully produced over 210,000 units of high-quality DC refrigerators. The focus is on maximizing production to meet increasing demand for DC refrigerators and plans are in place to start manufacturing frost-free refrigerators in the coming months, followed by top-load fully automatic washing machines and dishwashers.
- In terms of distribution, billing points have been scaled up to exceed 1,000 from 900 in the last quarter.
- Currently, both Voltas and Volt-Bek have joint presence in 195 EBOs vs. 90 in Q3FY20. Costs are well in line with the budget, and management is confident of meeting its targets, including that of 10% market share by 2024-25.

Exhibit 11: Actual vs. estimates (Q3FY21)

(Rs mn)	Actual	Estimate (Emkay)	Consensus estimate (Bloomberg)	% variation		Comment
				Emkay	Consensus	
Revenue	19,946	17,037	16,551	17%	21%	Beat was across the product categories
EBITDA	1,459	1,141	1,156	28%	26%	Better cost management led to operating leverage
EBITDA Margin	7.3%	6.7%	7.0%	61 bps	33 bps	
PAT	1,286	1,043	1,002	23%	28%	

Source: Emkay Research

Exhibit 12: Quarterly financials

Rs mn	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	YoY (%)	QoQ (%)	9MFY21	9MFY20	YoY (%)
Net Sales	14,925.1	20,896	12,969	16,125	19,946	33.6	23.7	49,041	55,685	(11.9)
Raw Material	10655	14912	9082	11926	15041	41.2	26.1	36,050	40,637	(11.3)
as % of sales	71.4	71.4	70.0	74.0	75.4			73.5	73.0	
Employee Cost	1733.6	1775.7	1574.1	1432.2	1547.4	(10.7)	8.0	4,554	4,942	(7.8)
as % of sales	11.6	8.5	12.1	8.9	7.8			9.3	8.9	
Other operating expenses	1561	2288	1646	1787	1899	21.6	6.2	5,332	5,160	3.3
as % of sales	10.5	10.9	12.7	11.1	9.5			10.9	9.3	
Total Expenditure	13950	18976	12302	15146	18488	32.5	22.1	45,935	50,738	(9.5)
EBITDA	975	1920	668	980	1459	49.6	48.9	3,106	4,946	(37.2)
Depreciation	80.2	82.0	82.2	83.9	84.1	4.9	0.2	250	238	5.3
EBIT	895	1838	585	896	1375	53.6	53.4	2,856	4,709	(39.3)
Other Income	543	605	674	383	516	(4.8)	34.9	1,573	1,701	(7.6)
Interest	57	61	67	58	32	(44.2)	(44.9)	157	151	4.5
Share of Profit and loss from associate	-187	-195	-117	-71	-201			-388	-492	
Exceptional Items	0	-20	0	0	0			0	-492	
PBT	1193	2167	1075	1150	1658	39.0	44.2	3,884	6,260	(38.0)
Tax	314	573	258	353	372	18.6	5.3	983	1,660	(40.8)
PAT	879	1595	818	797	1286	46.3	61.5	2901	4600	(36.9)
Margins (%)						(bps)	(bps)			(bps)
Gross Margin	28.6	28.6	30.0	26.0	24.6	(402)	(145)	26.5	27.0	(53)
EBIDTA	6.5	9.2	5.1	6.1	7.3	78	124	6.3	8.9	(255)
EBIT	6.0	8.8	4.5	5.6	6.9	89	134	5.8	8.5	(263)
EBT	8.0	10.4	8.3	7.1	8.3	32	118	7.9	11.2	(332)
PAT	5.9	7.6	6.3	4.9	6.4	56	151	5.9	8.3	(235)
Effective Tax rate	26.3	26.4	24.0	30.7	22.4	(386)	(829)	25.3	26.5	(121)

Source: Company, Emkay Research

Exhibit 13: Quarterly segmental financials

Rs mn	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	YoY (%)	QoQ (%)	9MFY21	9MFY20	YoY (%)
EMPS	8,081	8,046	5,181	9,278	10,167	25.8	9.6	24,626	24,416	0.9
EPS	826	948	476	933	1,209	46.4	29.6	2,618	2,369	10.5
UCP	6,005	11,989	7,071	5,717	8,396	39.8	46.9	21,184	28,748	(26.3)
Less: Intersegment	42	198	21	52	68	62.6	30.6	140	45	
Income from operations	14,871	20,784	12,708	15,876	19,704	32.5	24.1	48,287	55,488	(13.0)
PBIT										
EMPS	374.2	112.9	-392.8	229.8	322.2	(13.9)	40.2	159	1,591	(90.0)
EPS	231.0	269.4	196.7	288.0	320.4	38.7	11.3	805	723	11.3
UCP	606.8	1753.7	1095.6	631.1	1045.5	72.3	65.7	2,772	3,367	(17.7)
Total PBIT	1,212	2,136	900	1,149	1,688	39.3	46.9	3,737	5,681	(34.2)
Less: Un-allocable expense										
	-38.5	-112.1	-243.0	-59.1	-2.3	(94.0)	(96.1)	-304	-237	28.7
Operating Income	1251	2248	1143	1208	1690	35.2	39.9	4040.9	5917.9	(31.7)
Less: Interest Expense										
	57	61	67	58	32	(44.2)	(44.9)	157	151	
Exceptional	0	-20	0	0	0			0	-492	
PBT	1193	2167	1075	1150	1658	39.0	44.2	3884	5276	(26.4)
PBIT Margins (%)										
						(bps)	(bps)			(bps)
EMPS	4.6	1.4	(7.6)	2.5	3.2	(146)	69	0.6	6.5	(587)
EPS	28.0	28.4	41.3	30.9	26.5	(147)	(437)	30.8	30.5	21
UCP	10.1	14.6	15.5	11.0	12.5	235	141	13.1	11.7	137
Total PBIT	8.2	10.3	7.1	7.2	8.6	42	133	7.7	10.2	(250)

Source: Company, Emkay Research

Exhibit 14: Key assumptions

Revenue (Rs mn)	FY18	FY19	FY20	FY21E	FY22E	FY23E
EMPS	28,452	36,191	32,461	35,155	42,134	47,161
yoy	7%	27%	-10%	8%	20%	12%
Order Inflow	35,862	35,331	60,581	30,291	37,863	43,543
yoy	28%	-1%	71%	-50%	25%	15%
Order Book	44,223	49,760	77,880	73,015	68,744	65,127
yoy	20%	13%	57%	-6%	-6%	-5%
EPS	3,099	3,117	3,317	3,482	3,796	4,137
yoy	-7%	1%	6%	5%	9%	9%
UCP	32,026	31,556	40,737	36,842	49,394	58,279
yoy	7%	-1%	29%	-10%	34%	18%
Total Revenue	63,577	70,863	76,515	75,480	95,323	1,09,577
yoy	6%	11%	8%	-1%	26%	15%
PBIT (Rs mn)						
EMPS	1,854	2,773	1,704	605	2,317	3,537
% Margin	7%	8%	5%	2%	6%	8%
EPS	992	1,051	993	1,045	1,139	1,241
% Margin	32%	34%	30%	30%	30%	30%
UCP	4,749	3,254	5,121	4,974	6,668	7,868
% Margin	15%	10%	13%	14%	14%	14%
Total PBIT	7,595	7,077	7,817	6,623	10,124	12,646
% Margin	12%	10%	10%	9%	11%	12%

Source: Emkay Research

With strong Q3 delivery on the revenue and UCP margin fronts, we have raised our estimates across segments in the range of 8-14% for FY21-23E. Consolidated revenue upgrade in the same period stands at 9-14%. Better margin profile in the EMP business, along with revenues, is leading us to raise FY21-23E EBITDA by 16-22%. In addition, we have lowered our WACC assumptions to 9.5%, which is resulting in implied per-share value increasing to Rs84. The target multiple for the UCP business is also raised to 48x from 40x earlier.

Exhibit 15: Changes in estimates

Particulars (Rs mn)	FY21E			FY22E			FY23E		
	Old	New	% Change	Old	New	% Change	Old	New	% Change
EMPS	32,451	35,155	8.3%	37,035	42,134	13.8%	41,938	47,161	12.5%
EPS	3,151	3,482	10.5%	3,403	3,796	11.5%	3,675	4,137	12.6%
UCP	33,439	36,842	10.2%	44,792	49,394	10.3%	51,035	58,279	14.2%
Total Revenue	69,716	76,293	9.4%	86,063	96,350	12.0%	97,593	1,10,757	13.5%
EBITDA	5,020	5,798	15.5%	7,444	8,961	20.4%	8,783	10,965	24.8%
EBITDA Margin %	7.2	7.6	40 bps	8.7	9.3	65 bps	9.0	9.9	90 bps
PAT	4359	4664	7.0%	6471	7584	17.2%	7985	9563	19.8%
EPS	13.2	14.1	7.0%	19.6	22.9	17.2%	24.1	28.9	19.8%

Source: Emkay Research

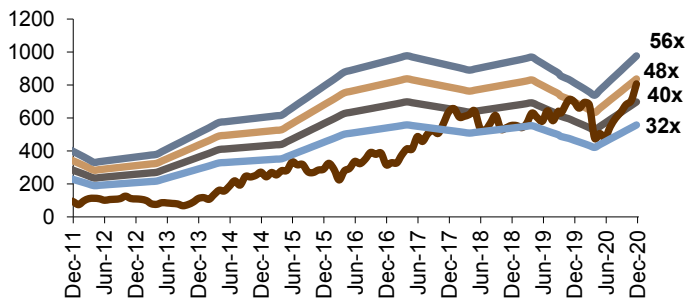
Exhibit 16: SoTP-based valuation

Market Cap	PAT	Multiple	Rs mn
EMPS	2,681	15	40,212
EPS	941	10	9,408
UCP	5,963	48	2,86,226
Total Mcap	9,585		3,35,845
Number of Shares			331
Target Price			1,016
Value of VoltBek			84
Total Value (Rs)			1,100

Source: Emkay Research

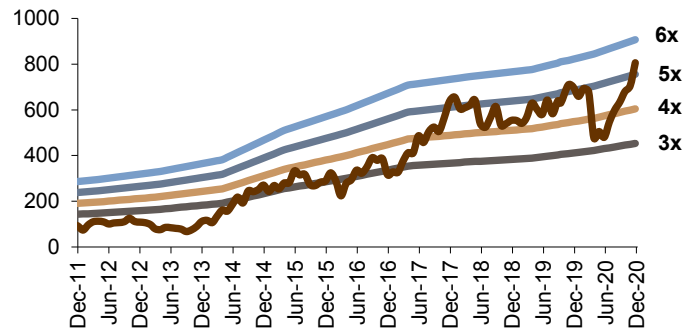
Valuation charts

Exhibit 17: 1-year forward P/E band



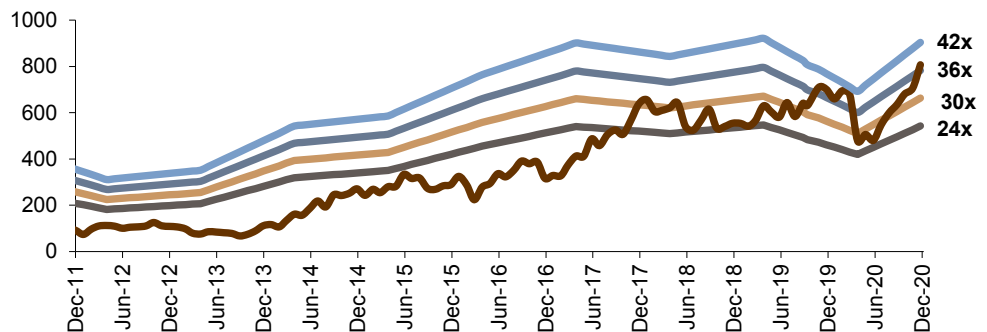
Source: Bloomberg, Emkay Research

Exhibit 18: 1-year forward P/B band



Source: Bloomberg, Emkay Research

Exhibit 19: 1-year forward EV/EBITDA band



Source: Bloomberg, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	71,241	76,581	76,293	96,350	1,10,757
Expenditure	65,124	69,714	70,495	87,390	99,792
EBITDA	6,117	6,867	5,798	8,961	10,965
Depreciation	240	320	342	360	387
EBIT	5,877	6,547	5,456	8,600	10,578
Other Income	1,863	2,306	2,230	2,410	2,620
Interest expenses	330	211	259	254	292
PBT	7,410	8,642	7,427	10,756	12,906
Tax	1,635	2,233	2,040	2,954	3,544
Extraordinary Items	(118)	(512)	0	0	0
Minority Int./Income from Assoc.	(518)	(687)	(724)	(219)	201
Reported Net Income	5,139	5,211	4,664	7,584	9,563
Adjusted PAT	5,256	5,722	4,664	7,584	9,563

Balance Sheet

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	331	331	331	331	331
Reserves & surplus	40,769	42,471	46,650	52,701	59,962
Net worth	41,100	42,802	46,981	53,032	60,293
Minority Interest	348	365	365	365	365
Loan Funds	3,147	2,179	2,676	3,484	4,005
Net deferred tax liability	(993)	(715)	(715)	(715)	(715)
Total Liabilities	43,601	44,631	49,307	56,167	63,949
Net block	2,968	3,351	4,572	4,575	4,752
Investment	23,859	23,433	23,433	23,433	23,433
Current Assets	47,178	53,786	56,264	70,882	84,034
Cash & bank balance	3,211	3,084	5,764	11,921	17,671
Other Current Assets	8,550	9,769	9,175	9,223	9,257
Current liabilities & Provision	30,560	36,201	35,224	42,985	48,533
Net current assets	16,618	17,585	21,040	27,897	35,502
Misc. exp	0	0	0	0	0
Total Assets	43,601	44,631	49,307	56,167	63,949

Cash Flow

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
PBT (Ex-Other income) (NI+Dep)	5,547	6,336	5,197	8,346	10,286
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(6,993)	(815)	(775)	(699)	(1,856)
Operating Cashflow	(3,214)	4,625	2,983	5,308	5,565
Capital expenditure	(799)	(809)	(1,564)	(364)	(564)
Free Cash Flow	(4,013)	3,816	1,420	4,944	5,001
Investments	4,124	426	0	0	0
Other Investing Cash Flow	(1,261)	(4,028)	0	0	0
Investing Cashflow	3,927	(2,105)	667	2,047	2,057
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	1,724	(968)	498	808	521
Dividend paid (incl tax)	(1,551)	(1,572)	(1,209)	(1,751)	(2,101)
Other Financing Cash Flow	(181)	104	0	0	0
Financing Cashflow	(339)	(2,646)	(970)	(1,197)	(1,872)
Net chg in cash	374	(127)	2,680	6,158	5,749
Opening cash position	2,837	3,211	3,084	5,764	11,921
Closing cash position	3,211	3,084	5,764	11,921	17,671

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin	8.6	9.0	7.6	9.3	9.9
EBIT Margin	8.2	8.5	7.2	8.9	9.6
Effective Tax Rate	22.1	25.8	27.5	27.5	27.5
Net Margin	8.1	8.4	7.1	8.1	8.5
ROCE	18.4	20.1	16.4	20.9	22.0
ROE	13.1	13.6	10.4	15.2	16.9
RoIC	44.8	38.3	28.9	42.6	49.1

Per Share Data (Rs)	FY19	FY20	FY21E	FY22E	FY23E
EPS	15.9	17.3	14.1	22.9	28.9
CEPS	16.6	18.3	15.1	24.0	30.1
BVPS	124.2	129.4	142.0	160.3	182.3
DPS	4.0	4.0	3.7	5.3	6.4

Valuations (x)	FY19	FY20	FY21E	FY22E	FY23E
PER	66.6	61.2	75.0	46.2	36.6
P/CEPS	63.7	57.9	69.9	44.1	35.2
P/BV	8.5	8.2	7.4	6.6	5.8
EV / Sales	4.7	4.3	4.3	3.4	2.9
EV / EBITDA	54.6	48.3	56.9	36.2	29.1
Dividend Yield (%)	0.4	0.4	0.3	0.5	0.6

Gearing Ratio (x)	FY19	FY20	FY21E	FY22E	FY23E
Net Debt/ Equity	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)
Net Debt/EBIDTA	(2.6)	(2.6)	(3.5)	(2.9)	(2.8)
Working Cap Cycle (days)	68.7	69.1	73.1	60.5	58.8

Growth (%)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	11.2	7.5	(0.4)	26.3	15.0
EBITDA	(7.7)	12.3	(15.6)	54.5	22.4
EBIT	(7.9)	11.4	(16.7)	57.6	23.0
PAT	(11.1)	1.4	(10.5)	62.6	26.1

Quarterly (Rs mn)	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21
Revenue	14,925	20,896	12,969	16,125	19,946
EBITDA	976	1,920	668	980	(4,493)
EBITDA Margin (%)	6.5	9.2	5.1	6.1	(22.5)
PAT	880	1,595	818	797	(4,666)
EPS (Rs)	2.7	4.8	2.5	2.4	(14.1)

Source: Company, Emkay Research

Shareholding Pattern (%)	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
Promoters	30.3	30.3	30.3	30.3	30.3
FII	10.9	9.9	10.7	12.4	14.6
DII	38.2	39.6	38.9	38.9	37.4
Public and Others	20.6	20.2	20.1	18.3	17.8

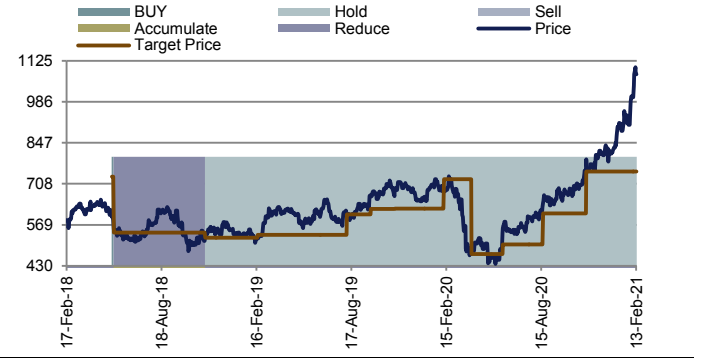
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
09-Nov-20	791	750	12m	Hold	Naval Seth
18-Aug-20	645	608	12m	Hold	Naval Seth
02-Jun-20	558	502	12m	Hold	Naval Seth
07-Apr-20	485	470	12m	Hold	Naval Seth
03-Apr-20	473	470	12m	Hold	Naval Seth
16-Mar-20	603	724	12m	Hold	Naval Seth
13-Feb-20	686	724	12m	Hold	Naval Seth
10-Feb-20	682	724	12m	Hold	Naval Seth
16-Dec-19	679	624	12m	Hold	Naval Seth
19-Nov-19	713	624	12m	Hold	Naval Seth
08-Nov-19	694	624	12m	Hold	Naval Seth
23-Sep-19	671	623	12m	Hold	Naval Seth
18-Sep-19	631	604	12m	Hold	Naval Seth
11-Sep-19	633	604	12m	Hold	Naval Seth
08-Aug-19	598	604	12m	Hold	Naval Seth

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Consumer Durables



Analyst: Naval Seth

Contact Details

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Sector

Consumer Durables, Media & Entertainment, SMID and Telecom

Analyst bio

Naval holds an MBA in Finance and has more than 12 years of experience in equity research. His team currently covers 19 stocks spread across three different sectors.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Consumer Durables	0.97	0.97	0%	0	100.00
Amber Enterprises	0.00	0.00	NA	0	0.00
Blue Star	0.00	0.00	NA	0	0.00
Crompton Greaves CE	0.22	0.23	4%	1	23.50
Dixon Technologies	0.00	0.02	NA	2	2.32
Havells India	0.34	0.32	-5%	-2	33.01
KEI Industries	0.00	0.00	NA	0	0.00
Polycab India	0.03	0.03	5%	0	3.04
V-Guard Industries	0.00	0.00	NA	0	0.00
Voltas	0.29	0.28	-3%	-1	29.12
Whirlpool Of India	0.09	0.09	-6%	-1	9.00
Cash	0.00	0.00	NA	0	0.00

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	14-Feb-20	14-Aug-20	13-Nov-20	13-Jan-21	12-Feb-21
EAP - Consumer Durables	100.0	106.6	101.0	124.9	155.8	171.6
BSE200 Neutral Weighted Portfolio (ETF)	100.0	100.9	93.5	115.2	142.7	157.4

*Performance measurement base date 1st April 2019

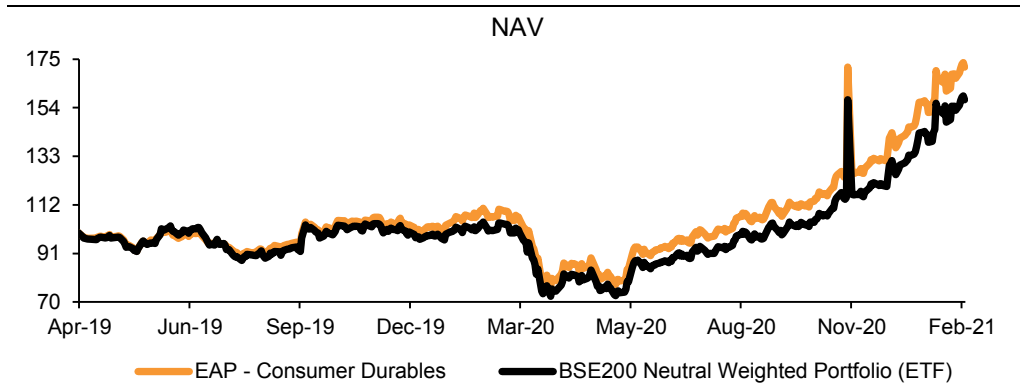
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Consumer Durables	10.1%	37.4%	69.9%	60.9%
BSE200 Neutral Weighted Portfolio (ETF)	10.3%	36.7%	68.4%	56.1%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 16 Feb 2021 00:21:57 (SGT)

Dissemination Date: 16 Feb 2021 00:22:57 (SGT)

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