

# CROMPTON GREAVES CONSUMER ELECTRICAL

## Regaining lost ground; bottom-line focus fruitful

India Equity Research | Consumer Durables



Crompton Greaves Consumer (Crompton), riding a healthy double digit growth in key segments in Q4FY18, regained some investor confidence which had been shaken by a tepid Q3FY18. The market share gain in fans aided by double digits value growth versus flat industry is commendable. Management reiterated its growth strategy targeting retail expansion and product innovation while retaining cost rationalisation focus, which we believe, will drive 19% earnings CAGR yielding 17% free cash CAGR over FY17-20E. Maintain 'BUY' with revised TP of INR280 (INR290 earlier) building in the impact of slower growth in pumps and water heaters segment.

### Fans/pumps growth back on track; Business focus getting sharper

Crompton successfully regained lost growth, leading to market share gains, particularly in fans, by sharpening focus on go-to-market (GTM) strategy in South. 20%+ and 13% YoY growth in lighting and pumps was led by robust B2C/B2B demand and launch of a mini pump series, respectively. Management's concentration on building growth strategies like GTM, digitisation and supply chain solutions has brought its focus back.

### Go-to-market, Innovation, cost control: Key focus areas

Sustaining its innovation drive, Crompton launched SKUs in fans, small pumps & air coolers in Q4FY18. On the anvil are value-added LED products. While phased implementation of GTM strategy is expected to ramp up revenue growth, management believes, sustained focus on cost rationalisation will continue to boost bottom line.

### Key monitorables over 12-24 months

Re-stocking has improved for the company recently, aiding Q4FY18 growth, especially for fans. However, its sustainability remains critical, owing to the near-term weakness in the housing market. **We believe scalability of GTM strategy in the North for key products remains a key monitorable for investors given the highly competitive environment which adversely affected the company's growth in Q3FY18.**

### Outlook and valuations: Big picture bright; maintain 'BUY'

We believe, Crompton's long-term goal is to expand its target market, which is less than half of its leading peer. As the company ramps up, we perceive significant potential for share holder value creation. Also, low hanging benefits from premium products, (especially fans) impart near to medium term comfort. Maintain 'BUY/SO'.

### Financials

(INR mn)

Year to March	Q4FY18	Q4FY17	% Chg	Q3FY18	% Chg	FY18	FY19E	FY20E
Net revenues	11,263	10,463	7.6	9,382	20.1	40,797	46,625	53,412
EBITDA	1,645	1,290	27.5	1,165	41.2	5,310	6,169	7,316
Adjusted Profit	1,032	821	25.7	695	48.5	3,238	3,839	4,769
Diluted EPS (INR)	1.6	1.3	25.7	1.1	48.5	5.2	6.1	7.6
Diluted P/E (x)						44.7	37.7	30.4
ROAE (%)						49.5	42.4	40.6

### EDELWEISS 4D RATINGS

Absolute Rating	BUY
Rating Relative to Sector	Outperform
Risk Rating Relative to Sector	Low
Sector Relative to Market	Overweight

### MARKET DATA (R: NA, B: CROMPTON IN)

CMP	: INR 230
Target Price	: INR 280
52-week range (INR)	: 295 / 200
Share in issue (mn)	: 626.8
M cap (INR bn/USD mn)	: 144 / 2,117
Avg. Daily Vol.BSE/NSE('000)	: 1,050.8

### SHARE HOLDING PATTERN (%)

	Current	Q3FY18	Q2FY18
Promoters *	34.4	34.4	34.4
MF's, FI's & BK's	14.2	14.2	14.6
FII's	36.3	36.3	35.1
Others	15.1	15.1	15.9
* Promoters pledged shares (% of share in issue)	:	NIL	

### PRICE PERFORMANCE (%)

	Stock	Nifty	EW Capital Goods Index
1 month	(2.4)	3.1	(0.6)
3 months	(20.0)	2.4	(2.3)
12 months	(20.9)	14.4	5.7

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### Q4FY18 conference call: Key takeaways

**Fans grew in double digits and the company continues to increase margin and profitability** in the fans segment. Housing growth is the primary driver of the fans market with a large percentage of the fans growth coming from new demand. Crompton's **three initiatives** to boost the fans segment are:

- **Consumer-based innovation** i.e., launched products that make a difference to the consumer.
  - Crompton launched the anti-dust fans last year, which had a very good acceptance (2bn sold).
  - The company continues to drive this with the **recently launched Air 360 fan** which provides 50% more coverage than normal fans. Launched at the start of Q4FY18 and management believes there is a great opportunity to drive this further.
  - Crompton is thus growing the fans business by going premium.
  - The fan industry's growth in Q4FY18 was flat and Crompton clocking growth in the segment implies market share gain. **27% market share in fans currently (80% driven by premium fans) versus 23-24% last year.**
- **Revamp the go-to-market strategy**
  - Improve distribution by strengthening dealership network with GTM (currently phase 2 is being implemented in South, which has the highest share in revenue).
  - **Fans grew 25% in Q3FY18 as well as Q4FY18 in South with the GTM strategy.**
  - Implementation of GTM in South and West with focus on retail has shown positive results.
  - Sales in North declining because of the extremely competitive environment (pricing, etc.) and the company will be implementing GTM in a phased manner here as well.
- **Cost rationalisation** - Driving down costs and focusing on operational efficiency, which has been the key contributor to profitability.

#### Pumps

- Competitive challenges in pumps had dented Crompton's Q3FY18 growth. In Q4FY18, **it launched a lower priced pump (Crest Mini), sales of which have jumped 25% in volume terms.**
- **13% growth in value terms in pumps in total.**

#### Appliances

- Crompton **introduced a window cooler on pilot basis** with 60% superior cooling than the leading cooler in the market. It also saves space, looks better and is priced competitively at INR12,500.
- Covered 15% of the coolers market with free installation facility.
- **The company has meaningful innovations underway—at least one every two seasons.**
- **Strong innovation on the anvil in geysers.**

#### Lighting

- **20% plus growth with strong growth in B2C (LED bulbs and tube lights) and B2B.**
- Margins have improved considerably.

- **EESL contributed ~INR0.4bn in the lighting segment** (B2B & B2C).
- **Growth drivers:**
  - a. Only **25% of the lighting has shifted to LED and thus there is huge growth opportunity.**
  - b. Incremental value-added benefits in LED (smart lighting, colour lighting, etc.) and creating a premium market that does not exist.

#### GTM strategy

- The company focuses on building sustainable growth strategies like GTM, digitisation and supply chain solutions.
- It is concentrating on driving the retail focus and thus building better distributor partnership along with focus on establishing price stability among dealers.
- **Implementation of GTM in lighting is a little ahead of fans.**
- **GTM for fans is being implemented in North and West; the implementation in North is one quarter away from West.**
- **The company is implementing the GTM strategy in a phased manner managing the entire business to make sure they grow by balancing the risk.**
- The company experiences a decline initially after the implementation of GTM and after 6 months into the implementation the growth comes back to flat

#### Other comments

- Gross margin rose due to price hikes and one-off provisions.
- ESOP charge: INR0.57bn and INR0.14bn each quarter. The ESOP charge is expected to be INR0.31-0.32bn in FY19.
- INR5.5bn of cash:
  - Two large payouts: 1) interest on bonds paid in June; and 2) dividend of INR1.3bn.
  - It is also building up cash for repayment of debentures due in FY20.
  - Balance to be reinvested.

**Table 1: Segmental snapshot**

Year to March	Q4FY18	Q4FY17	% change	Q3FY18	% change	FY18	FY17	% change
<b>Segment revenue (INR mn)</b>								
Lighting & Fixtures	3,379	3,022	12	3,265	3	12,770	11,296	13
Electrical Consumer Durables	7,884	7,739	2	6,117	28.9	28,281	28,871	-2
<b>Total</b>	<b>11,263</b>	<b>10,761</b>	<b>5</b>	<b>9,382</b>	<b>20</b>	<b>41,051</b>	<b>40,167</b>	<b>2</b>
<b>Segment revenue mix (%)</b>								
Lighting & Fixtures	30.0	28.1		34.8		31.1	28.1	592.7
Electrical Consumer Durables	70.0	71.9		65.2		68.9	71.9	-92.8
<b>EBIT (INR mn)</b>								
Lighting & Fixtures	374	191	96	452	-17	1,473	991	49
Electrical Consumer Durables	1,711	1,479	16	1,112	54	5,347	4,950	8
<b>Total</b>	<b>2,085</b>	<b>1,670</b>	<b>25</b>	<b>1,564</b>	<b>33</b>	<b>6,820</b>	<b>5,941</b>	<b>15</b>
<b>EBIT margin (%)</b>								
Lighting & Fixtures	11.1	6.3		13.8		11.5	8.8	372.2
Electrical Consumer Durables	21.7	19.1		18.2		18.9	17.1	-392.7
<b>EBIT mix (%)</b>								
Lighting & Fixtures	17.9	11.4		28.9		21.6	16.7	328.4
Electrical Consumer Durables	82.1	88.6		71.1		78.4	83.3	54.2

Source: Edelweiss research

## Financial snapshot

(INR mn)

Year to March	Q4FY18	Q4FY17	% change	Q3FY18	% change	FY18	FY19E	FY20E
Net revenues	11,263	10,463	7.6	9,382	20.1	40,797	46,625	53,412
Direct costs	7,704	7,371	4.5	6,277	22.7	27,996	31,915	36,534
Employee expenses	700	739	(5.3)	742	(5.7)	2,827	3,296	3,633
Other expenses	1,215	1,064	14.2	1,198	1.4	4,664	5,245	5,929
EBITDA	1,645	1,290	27.5	1,165	41.2	5,310	6,169	7,316
Depreciation	31	29	6.6	32	(4.3)	126	136	141
EBIT	1,614	1,261	28.0	1,133	42.5	5,184	6,033	7,175
Other income	109	69	58.6	66	64.8	308	345	395
Interest	161	153	5.3	158	1.5	637	649	453
Profit before tax	1,562	1,177	32.7	1,040	50.2	4,854	5,729	7,118
Provision for taxes	530	377	40.7	345	53.5	1,617	1,891	2,349
Reported net profit	1,032	800	29.0	695	48.5	3,238	3,839	4,769
Adjusted Profit	1,032	821	25.7	695	48.5	3,238	3,839	4,769
Equity capital(FV INR 5)	1,254	1,254		1,254		1,254	1,254	1,254
No. of shares (mn)	627	627		627		627	627	627
Diluted EPS (INR)	1.6	1.3	25.7	1.1	48.5	5.2	6.1	7.6
<b>As % of net revenues</b>								
Raw material	68.4	70.4		66.9		68.6	68.5	68.4
Employee cost	6.2	7.1		7.9		6.9	7.1	6.8
Other expenses	10.8	10.2		12.8		11.4	11.3	11.1
EBITDA	14.6	12.3		12.4		13.0	13.2	13.7
Reported net profit	9.2	7.8		7.4		7.9	8.2	8.9
Tax rate	33.9	32.0		33.2		33.3	33.0	33.0

## Change in Estimates

	New	FY19E Old	% change	New	FY20E Old	% change	Comments
Net Revenue	46,625	48,661	(4.2)	53,412	56,702	(5.8)	Building in the impact of slower growth in pumps and water heaters segment
EBITDA	6,169	6,286	(1.9)	7,316	7,636	(4.2)	
EBITDA Margin	13.2	12.9		13.7	13.5		
Adjusted Profit After Tax	3,839	3,905	(1.7)	4,769	4,928	(3.2)	
Net Profit Margin	8.2	8.0		8.9	8.7		
Capex	200	200	0.0	175	175	0.0	

## Company Description

Crompton was set up in 1878 as REB Crompton to manufacture electrical equipment. Later, it was merged with F&A Parkinson to form Crompton Parkinson. The latter was bought in 1947 by the Thapar family and in 1966 restructured into Crompton Greaves. Crompton was in multiple sectors including electrical goods. In October 2015, the electrical and lighting business was demerged into Crompton Greaves Consumer Electricals. The Thapars sold their stake to 2 private equity firms, Advent International and Temasek Holdings, in 2016. The company broadly has 4 business segments—fans, lightings, pumps and electrical appliances. Crompton is a market leader in the fans and residential pumps segments, with over 25% market share in each.

## Investment Theme

### Higher share of premium offerings, new launches spurring profitability:

Crompton is the leader in fans and residential pumps with 27% and 28% market shares, respectively, wherein it is positioned as a premium products player anchored by a robust distribution network. While FY17 profitability sprung a positive surprise for the Street, we expect the improvement to sustain given the humungous scope to enhance the share of premium products (fans, lighting, appliances, etc). This, we believe, the company will achieve by unwavering focus on product innovation/branding.

### Potential for strong brand leverage :

While the new management has kick started many initiatives to drive value in key segments like fans and lighting, we believe, brand Crompton is yet to be fully leveraged. We perceive significant scope to improve value market share in lighting and agri pumps wherein the company has low market share of ~5%. In lighting, current focus is on cost control, where Crompton has created significant value by improving operating margin. Also, in the pumps segment, leveraging its dominance in residential pumps, Crompton has sharpened focus on agri pumps.

## Key Risks

### Competition

Rising competitive intensity especially from local peers, we believe could be a risk to our growth and profitability estimates.

### Consumer discretionary slow down

Rise in disposable income levels are key driver for consumer discretionary and hence any slowdown in disposable income could post down side risk to Crompton's earnings.

## Financial Statements

### Key Assumptions

Year to March	FY17	FY18	FY19E	FY20E
<b>Macro</b>				
GDP(Y-o-Y %)	6.6	6.5	7.1	7.6
Inflation (Avg)	4.5	3.8	4.5	5.0
Repo rate (exit rate)	6.3	6.0	6.0	6.5
USD/INR (Avg)	67.1	64.5	65.0	66.0
<b>Company</b>				
Lighting	15.0	3.5	16.3	16.3
Pumps	7.0	(1.0)	13.5	14.0
Fans	9.8	(2.8)	13.3	13.5
Appliances	4.2	5.0	10.0	10.0
Fans (%)	12.5	5.9	16.3	15.7
Lighting (%)	0.1	10.3	12.3	14.0
Pumps (%)	7.0	(12.0)	9.4	12.6
Appliances (%)	32.4	(20.5)	10.0	13.4
Depreciation	1.1	1.3	1.3	1.4
Tax rate (%)	33.4	33.3	33.0	33.0

### Income statement

(INR mn)

Year to March	FY17	FY18	FY19E	FY20E
Income from operations	39,009	40,797	46,625	53,412
Direct costs	27,335	27,996	31,915	36,534
Employee costs	2,322	2,827	3,296	3,633
Other Expenses	4,506	4,664	5,245	5,929
Total operating expenses	34,163	35,486	40,456	46,096
EBITDA	4,846	5,310	6,169	7,316
Depreciation	110	126	136	141
EBIT	4,736	5,184	6,033	7,175
Add: Other income	195	308	345	395
Less: Interest Expense	655	637	649	453
Profit Before Tax	4,276	4,854	5,729	7,118
Less: Provision for Tax	1,419	1,617	1,891	2,349
Net profit	2,857	3,238	3,839	4,769
Extraordinary item	(25)	-	-	-
Adjusted Profit	2,857	3,238	3,839	4,769
Shares o /s (mn)	627	627	627	627
Basic EPS (INR)	4.6	5.2	6.1	7.6
Diluted shares o/s (mn)	627	627	627	627
Adj. Diluted EPS (INR)	4.6	5.2	6.1	7.6
Adjusted Cash EPS	4.7	5.4	6.3	7.8
Dividend per share (DPS)	1.5	1.8	2.0	2.3
Dividend Payout Ratio(%)	32.9	33.9	32.9	30.4

### Common size metrics

Year to March	FY17	FY18	FY19E	FY20E
Operating expenses	87.6	87.0	86.8	86.3
Staff costs	6.0	6.9	7.1	6.8
S G & A expenses	11.6	11.4	11.3	11.1
Direct Cost	70.1	68.6	68.5	68.4
Depreciation	0.3	0.3	0.3	0.3
Interest Expense	1.7	1.6	1.4	0.8
EBITDA margins	12.4	13.0	13.2	13.7
EBIT margins	12.1	12.7	12.9	13.4
Net Profit margins	7.3	7.9	8.2	8.9

### Growth ratios (%)

Year to March	FY17	FY18	FY19E	FY20E
Revenues	115.3	4.6	14.3	14.6
EBITDA	131.4	9.6	16.2	18.6
PBT	149.3	13.5	18.0	24.2
Adjusted Profit	140.0	13.3	18.6	24.2
EPS	19.8	13.3	18.6	24.2

Balance sheet		(INR mn)			
As on 31st March	FY17	FY18	FY19E	FY20E	
Share capital	1,254	1,254	1,254	1,254	
Reserves & Surplus	3,924	6,641	8,967	11,995	
Shareholders' funds	5,178	7,895	10,220	13,248	
Secured loans	6,478	6,486	6,486	3,486	
Total Borrowings	6,478	6,486	6,486	3,486	
<b>Sources of funds</b>	<b>11,656</b>	<b>14,380</b>	<b>16,706</b>	<b>16,734</b>	
Gross Block	9,964	10,090	10,290	10,465	
Depreciation	1,349	1,475	1,611	1,752	
Net Block	8,615	8,615	8,679	8,713	
Capital work in progress	1	6	6	6	
Total Fixed Assets	8,616	8,621	8,686	8,719	
Investments	3,189	3,676	3,676	3,676	
Cash and Equivalents	697	1,774	3,985	3,928	
Inventories	2,734	3,032	3,457	3,957	
Sundry Debtors	4,728	5,536	6,327	7,248	
Loans & Advances	875	1,131	1,301	1,496	
Total current assets	8,337	9,700	11,085	12,701	
Sundry creditors	8,526	8,719	9,940	11,378	
Provisions	951	1,150	1,265	1,392	
Total Current Liab	9,477	9,869	11,205	12,770	
Net current assets	(1,141)	(170)	(120)	(69)	
Net Deferred tax	295	479	479	479	
<b>Uses of funds</b>	<b>11,656</b>	<b>14,380</b>	<b>16,706</b>	<b>16,734</b>	
BVPS (INR)	8.3	12.6	16.3	21.1	

Free cash flow		(INR mn)			
Year to March	FY17	FY18	FY19E	FY20E	
Reported Profit	2,857	3,238	3,839	4,769	
Add: Depreciation	110	126	136	141	
Interest (Net of Tax)	437	425	435	303	
Others	217	(95)	(131)	(246)	
Gross cash flow	3,621	3,694	4,278	4,967	
Less: Changes in WC	517	971	49	51	
Operating cash flow	3,105	2,723	4,229	4,916	
Less: Capex	148	126	200	175	
<b>Free Cash Flow</b>	<b>2,956</b>	<b>2,597</b>	<b>4,029</b>	<b>4,741</b>	

Cash flow metrics		FY17	FY18	FY19E	FY20E
Year to March					
Operating cash flow		3,105	2,723	4,229	4,916
Investing cash flow		(3,151)	(306)	145	220
Financing cash flow		(1,094)	(1,946)	(2,162)	(5,193)
Net cash Flow		(1,140)	470	2,212	(57)
Capex		(148)	(126)	(200)	(175)
Dividend paid		(940)	(1,316)	(1,514)	(1,741)

Profitability and efficiency ratios		FY17	FY18	FY19E	FY20E
Year to March					
ROAE (%)		76.5	49.5	42.4	40.6
ROACE (%)		51.6	42.2	41.0	45.3
Debtors Days		42	46	46	46
Payable Days		115	112	107	106
Cash Conversion Cycle		(41)	(29)	(23)	(23)
Current Ratio		0.9	1.0	1.0	1.0
Debt/EBITDA (x)		1.3	1.2	1.1	0.5
Fixed asset turnover (x)		4.5	4.7	5.4	6.1
Debt/Equity (x)		1.3	0.8	0.6	0.3
Adjusted Debt/Equity		1.3	0.8	0.6	0.3
Interest Coverage Ratio		7.2	8.1	9.3	15.9

Operating ratios		FY17	FY18	FY19E	FY20E
Year to March					
Total Asset Turnover		4.1	3.1	3.0	3.2
Fixed Asset Turnover		4.5	4.7	5.4	6.1
Equity Turnover		10.5	6.2	5.1	4.6

Valuation parameters		FY17	FY18	FY19E	FY20E
Year to March					
Adj. Diluted EPS (INR)		4.6	5.2	6.1	7.6
Y-o-Y growth (%)		19.8	13.3	18.6	24.2
Adjusted Cash EPS (INR)		4.7	5.4	6.3	7.8
Diluted P/E (x)		50.6	44.6	37.6	30.3
P/B (x)		27.9	18.3	14.1	10.9
EV / Sales (x)		3.9	3.7	3.2	2.7
EV / EBITDA (x)		30.3	27.4	23.2	19.2
Dividend Yield (%)		0.7	0.8	0.9	1.0

#### Peer comparison valuation

Name	Market cap (USD mn)	Diluted P/E (X)		P/B (X)		ROAE (%)	
		FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
Crompton Greaves Consumer Electrical	2,117	37.6	30.3	14.1	10.9	42.4	40.6
Bajaj Electricals	913	34.7	26.4	5.5	4.7	17.0	19.2
Havells India	5,003	38.7	31.2	8.1	7.1	22.2	24.4
Median	-	37.6	30.3	8.1	7.1	22.2	24.4
AVERAGE	-	37.0	29.3	9.3	7.6	27.2	28.1

Source: Edelweiss research

## Additional Data

### Directors Data

Mr. Shantanu Khosla	Managing Director	Mr. Mathew Job	Chief Executive Officer
Mr. Sandeep Batra	CFO	Mr. P. M. Murty	Independent Director
Mr. D. Sundaram	Independent Director	Mr. Hemant Madhusudan Nerurkar	Independent Director
Ms. Shweta Jalan	Independent Director	Mr. Promeet Ghosh	Independent Director

Auditors - Sharp & Tannan Chartered Accountants

*\*as per last annual report*

### Holding – Top 10

	Perc. Holding		Perc. Holding
Amalfiaco Limited	22.34	Nordea Bank Ab	2.80
Macritchie Invs Pte Ltd	12.03	Amansa Capital Pvt Ltd	2.80
Aditya Birla Sun Life Asset Mgmt	3.90	Franklin Resources	2.73
Nomura	3.34	Goldman Sachs Group Inc	2.68
Life Insurance Corp Of India	3.24	Hdfc Asset Management Co Ltd	2.52

*\*as per last available data*

### Bulk Deals

Data	Acquired / Seller	B/S	Qty Traded	Price
01 Nov 2017	Franklin Templeton Investment Funds	Buy	4636184	217.50
01 Nov 2017	Tiaa -Cref Inst. Mutual Funds Inte. Equity Fund	Sell	6813777	217.50

*\*in last one year*

### Insider Trades

Reporting Data	Acquired / Seller	B/S	Qty Traded
No Data Available			

*\*in last one year*



Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Bajaj Electricals	HOLD	SP	M	Crompton Greaves Consumer Electrical	BUY	SO	L
Finolex Cables	BUY	SO	L	Havells India	BUY	SO	L
KEI Industries	BUY	SO	L	Symphony	HOLD	SP	L
V Guard Industries	HOLD	SP	L	Voltas	BUY	SO	L
Whirlpool of India	BUY	SO	M				

## ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

## RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

## RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

## SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

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## Coverage group(s) of stocks by primary analyst(s): Consumer Durables

Bajaj Electricals, Crompton Greaves Consumer Electrical, Finolex Cables, Havells India, KEI Industries, Symphony, V Guard Industries, Voltas, Whirlpool of India

### Recent Research

Date	Company	Title	Price (INR)	Recos
11-May-18	<b>Havells India</b>	Core thriving; bigger transition in Lloyd anticipated; <i>Result Update</i>	548	Buy
09-May-18	<b>Whirlpool India</b>	In-line quarter; riding on new product launches; <i>Result Update</i>	1,533	Buy
09-Apr-18	<b>Finolex Cables</b>	Reasonable growth grid amidst challenges; <i>Visit Note</i>	699	Buy

### Distribution of Ratings / Market Cap

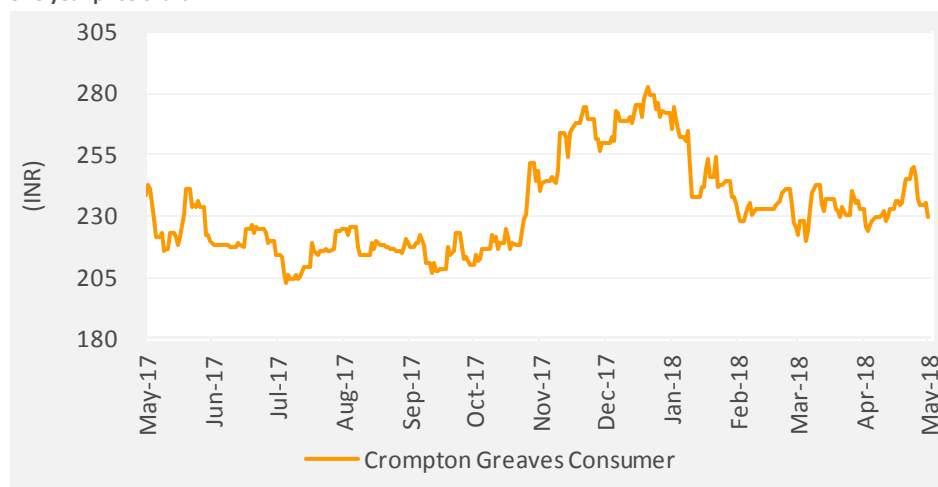
#### Edelweiss Research Coverage Universe

	Buy	Hold	Reduce	Total
Rating Distribution*	161	67	11	240
* 1stocks under review				
	> 50bn	Between 10bn and 50 bn	< 10bn	
Market Cap (INR)	156	62	11	

### Rating Interpretation

Rating	Expected to
<b>Buy</b>	appreciate more than 15% over a 12-month period
<b>Hold</b>	appreciate up to 15% over a 12-month period
<b>Reduce</b>	depreciate more than 5% over a 12-month period

One year price chart



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