Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

October 23, 2019

## Q2FY20 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

| | Current | | Previous | |
|---|---|---|---|---|
| | FY20E | FY21E | FY20E | FY21E |
| **Rating** | ACCUMULATE | | ACCUMULATE | |
| **Target Price** | 1,855 | | 1,640 | |
| Sales (Rs. m) | 214,801 | 245,671 | 219,891 | 251,507 |
| *% Chng.* | *(2.3)* | *(2.3)* | | |
| EBITDA (Rs. m) | 43,823 | 51,036 | 44,872 | 52,492 |
| *% Chng.* | *(2.3)* | *(2.8)* | | |
| EPS (Rs.) | 31.2 | 35.5 | 29.0 | 35.0 |
| *% Chng.* | *7.6* | *1.2* | | |

### Key Financials - Consolidated

| Y/e Mar | FY19 | FY20E | FY21E | FY22E |
|---|---|---|---|---|
| Sales (Rs. m) | 193,415 | 214,801 | 245,671 | 280,012 |
| EBITDA (Rs. m) | 35,245 | 43,823 | 51,036 | 58,063 |
| *Margin (%)* | *18.2* | *20.4* | *20.8* | *20.7* |
| PAT (Rs. m) | 21,502 | 29,901 | 34,023 | 39,542 |
| EPS (Rs.) | 22.4 | 31.2 | 35.5 | 41.2 |
| *Gr. (%)* | *8.9* | *39.1* | *13.8* | *16.2* |
| DPS (Rs.) | 8.9 | 11.9 | 14.5 | 16.6 |
| *Yield (%)* | *0.5* | *0.7* | *0.8* | *0.9* |
| *RoE (%)* | *24.0* | *28.7* | *27.9* | *28.1* |
| *RoCE (%)* | *32.4* | *32.7* | *33.8* | *33.9* |
| EV/Sales (x) | 8.7 | 7.8 | 6.8 | 5.9 |
| EV/EBITDA (x) | 47.8 | 38.4 | 32.7 | 28.5 |
| PE (x) | 78.8 | 56.7 | 49.8 | 42.9 |
| P/BV (x) | 17.8 | 15.0 | 13.0 | 11.2 |

| Key Data | ASPN.BO \| APNT IN |
|---|---|
| 52-W High / Low | Rs.1,825 / Rs.1,118 |
| Sensex / Nifty | 39,059 / 11,604 |
| Market Cap | Rs.1,695bn/ $ 23,891m |
| Shares Outstanding | 959m |
| 3M Avg. Daily Value | Rs.5367.46m |

### Shareholding Pattern (%)

| | |
|---|---|
| Promoter's | 52.79 |
| Foreign | 16.95 |
| Domestic Institution | 8.65 |
| Public & Others | 21.61 |
| Promoter Pledge (Rs bn) | 107.03 |

### Stock Performance (%)

| | 1M | 6M | 12M |
|---|---|---|---|
| Absolute | (2.0) | 23.5 | 55.2 |
| Relative | (1.9) | 21.9 | 34.5 |

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# Asian Paints (APNT IN)

**Rating: ACCUMULATE | CMP: Rs1,767 | TP: Rs1,855**

## *Economy segment drives volumes*

***APNT has reported 7th consecutive quarter of double digit volume growth (~16%) led by migration from unorganized players in entry level distempers and emulsions (launch of Tractor Emulsion Spark and ACE Spark) and Putty segment. Although near term demand conditions are challenging due to 1) prolonged monsoons 2) slower growth of premium paints in metros and Tier-I cities and 3) Slowdown in auto, construction and real estate sector. We remain positive in the structural growth story due to 1) product portfolio straddling across price points 2) huge scope in entry level paints given deep distribution (2x nearest competitor) and 3) lower share of Automotive/ Industrial paints (5% of Consol sales) which faces near term headwinds.***

***Although APNT has taken 0.8% price cuts in 1H, Soft crude prices would enable maintain margins. We increase our EPS estimates of FY20-21 by 7.6-1.2% as we incorporate one-time deferred tax re-measurement and estimate 23% Adj. PAT CAGR over FY19-22 and 15% PAT CAGR over FY20-22. We value the stock at 45xFY22 EPS of 41.2 and arrive at a target price of 1855 (Earlier Rs1640 at 45xJune21 EPS). Retain Accumulate***

**Concall Takeaways:** 1) Economy range has been doing better than the premium end due to shift from unorganised to organised sector. 2H would have a better sales mix than 1H. 2) Prolonged monsoons before Diwali and flooding in western, central and eastern regions has led to shortening of painting cycle. 3) Material prices has been benign and is expected to remain range-bound. APNT has again taken 2 rounds of price cuts totaling to 0.4%. Price cuts were only in solvent based paints. 4) Metro and Tier I towns have slowed down while Tier II, III & IV cities are doing well. 5) Adhesive range has grown well; Sleek and ESS has faced challenges due to slowdown in real estate and construction while Bath business grew well led by newly launched sanitary ware. 6) Capex for FY20 shall be ~Rs7bn of which Rs3-3.5bn would be for the 2 new plants and rest being maintenance capex. (1H capex was Rs2bn). Capex for FY21 would be only maintenance capex 7) Launched Tractor emulsions spark and ACE spark in the economy segment 8) Putti industry size is Rs50-60bn while Distemper industry size is Rs120-150bn 9) Challenges in Egypt and Sri Lanka continue. Indonesia performance was slower than expected.

**Consolidated:** Domestic Decorative Volumes at high double digits; Automotive and Industrial coatings witnessed severe slowdown. Consol sales increased 9.4% to Rs 50.5bn, Gross margins expanded by 260bps on benign raw material. EBIDTA increased 13% to Rs9.5bn on 60bps margins expansion as staff costs and other expenses increased by 40bps and 160bps respectively. Adj. PAT increased 70.1% to Rs 8.2bn on only 0.9% tax rate and 62.1% increase in other income on higher treasury income despite increase in depreciation by 37.3%. **Standalone** sales increased 9.3% to Rs 42.78bn, Gross margins and EBITDA margins expanded by 257bps and 60bps respectively. Adj. PAT up 64.5% to Rs7.93bn. Imputed subsidiary sales increased 10.2%, EBIDTA increased 10.5%. IBD performed better QoQ led by improvement in Nepal and Egypt. **Home improvement** business of Sleek and ESS reported 18.6% increase in sales due to slowdown in real estate and construction space.

**Exhibit 1: Q2FY20 Results- Consolidated (Rs m): Comparable PBT increased 13.1% with 60bp margin expansion**

| Y/e March | 2QFY20 | 2QFY19 | YoY gr. (%) | 1QFY20 | 1HFY20 | 1HFY19 | YoY gr. (%) |
|---|---|---|---|---|---|---|---|
| **Net Sales** | 50,507 | 46,155 | 9.4 | 51,306 | 1,01,554 | 89,856 | 13.0 |
| Gross Profit | 21,435 | 18,403 | 16.5 | 22,337 | 43,716 | 37,315 | 17.2 |
| % of NS | 42.4 | 39.9 | 2.6 | 43.5 | 43.0 | 41.5 | 1.5 |
| Other Expenses | 11,886 | 9,956 | 19.4 | 10,774 | 22,587 | 19,568 | 15.4 |
| % of NS | 23.5 | 21.6 | | 21.0 | 22.2 | 21.8 | |
| **EBITDA** | 9,548 | 8,447 | 13.0 | 11,563 | 21,129 | 17,747 | 19.1 |
| Margins (%) | 18.9 | 18.3 | 0.6 | 22.5 | 20.8 | 19.8 | |
| Depreciation | 1,972 | 1,436 | 37.3 | 1,926 | 3,889 | 2,786 | 39.6 |
| Interest | 259 | 257 | 0.8 | 268 | 526 | 466 | 12.9 |
| Other Income | 1,052 | 649 | 62.1 | 736 | 1,787 | 1,265 | 41.2 |
| **PBT** | 8,369 | 7,402 | 13.1 | 10,104 | 18,501 | 15,760 | 17.4 |
| Tax | 72 | 2,425 | -97.0 | 3,505 | 3,583 | 5,189 | -30.9 |
| Tax rate % | 0.9 | 32.8 | | 34.7 | 19.4 | 32.9 | |
| **Adjusted PAT** | **8,201** | **4,821** | **70.1** | **6,554** | **14,767** | **10,295** | **43.4** |

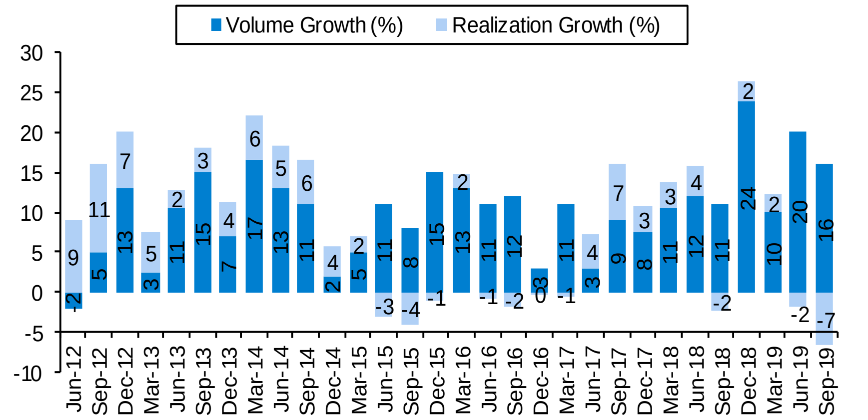
*Source: Company Data, PL Research*

**Exhibit 2: Q2FY20 Results - Standalone (Rs m): Comparable PBT increased 12% with 60bps EBITDA margin expansion**

| Y/e March | 2QFY20 | 2QFY19 | YoY gr. (%) | 1QFY20 | 1HFY20 | 1HFY19 | YoY gr. (%) |
|---|---|---|---|---|---|---|---|
| **Net Sales** | 42,780 | 39,142 | 9.3 | 43,802 | 86,582 | 76,204 | 13.6 |
| Gross Profit | 18,557 | 15,973 | 16.2 | 19,622 | 38,179 | 32,510 | 17.4 |
| % of NS | 43.4 | 40.8 | 2.6 | 44.8 | 44.1 | 42.7 | |
| Other Expenses | 9,823 | 8,200 | 19.8 | 8,723 | 18,546 | 16,031 | 15.7 |
| % of NS | 23.0 | 20.9 | | 19.9 | 21.4 | 21.0 | |
| **EBITDA** | 8,735 | 7,773 | 12.4 | 10,899 | 19,633 | 16,479 | 19.1 |
| Margins (%) | 20.4 | 19.9 | 0.6 | 24.9 | 22.7 | 21.6 | |
| Depreciation | 1,743 | 1,234 | 41.3 | 1,698 | 3,441 | 2,392 | 43.9 |
| Interest | 202 | 189 | 7.3 | 193 | 395 | 344 | 14.7 |
| Other Income | 1,141 | 732 | 55.9 | 855 | 1,996 | 1,421 | 40.5 |
| **PBT** | 7,930 | 7,083 | 12.0 | 9,863 | 17,794 | 15,164 | 17.3 |
| Tax | 25 | 2,276 | -98.9 | 3,339 | 3,364 | 4,941 | -31.9 |
| Tax rate % | 0.3 | 32.1 | | 33.8 | 18.9 | 32.6 | |
| **Adjusted PAT** | **7,905** | **4,806** | **64.5** | **6,525** | **14,430** | **10,223** | **41.2** |

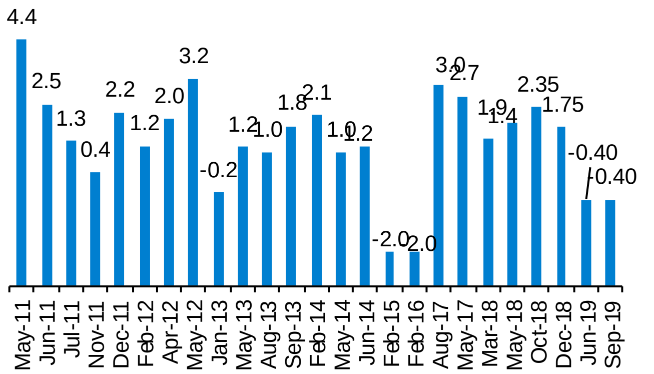
*Source: Company Data, PL Research*

**Exhibit 3: Strong Volume growth at ~16% continues in 2Q as well**



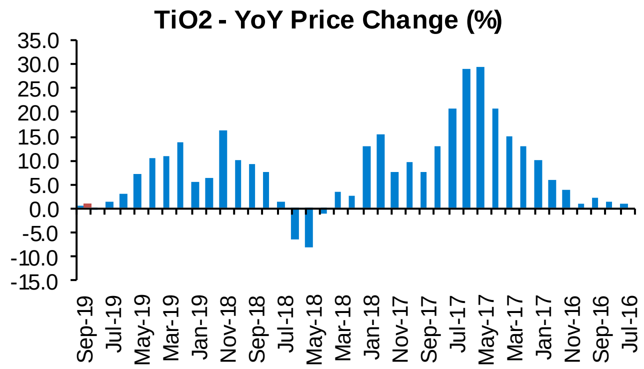

*Source: Company, PL*

**Exhibit 4: Another 0.4% price cut in solvent based paints**



*Source: Company, PL*

**Exhibit 5: Tio2 prices down 3.3% QoQ and flattish YoY**




*Source: Company, PL*

# Financials

### Income Statement (Rs m)

| Y/e Mar | FY19 | FY20E | FY21E | FY22E |
|---|---|---|---|---|
| **Net Revenues** | **193,415** | **214,801** | **245,671** | **280,012** |
| *YoY gr. (%)* | *15.0* | *11.1* | *14.4* | *14.0* |
| Cost of Goods Sold | 113,423 | 123,172 | 141,414 | 160,985 |
| Gross Profit | 79,992 | 91,629 | 104,257 | 119,027 |
| *Margin (%)* | *41.4* | *42.7* | *42.4* | *42.5* |
| Employee Cost | 12,700 | 14,173 | 15,968 | 18,175 |
| Other Expenses | 32,046 | 33,632 | 37,254 | 42,789 |
| **EBITDA** | **35,245** | **43,823** | **51,036** | **58,063** |
| *YoY gr. (%)* | *10.2* | *24.3* | *16.5* | *13.8* |
| *Margin (%)* | *18.2* | *20.4* | *20.8* | *20.7* |
| Depreciation and Amortization | 4,307 | 7,918 | 8,245 | 8,853 |
| **EBIT** | **30,939** | **35,905** | **42,791** | **49,210** |
| *Margin (%)* | *16.0* | *16.7* | *17.4* | *17.6* |
| Net Interest | 510 | 1,009 | 870 | 868 |
| Other Income | 2,271 | 3,329 | 3,718 | 4,784 |
| **Profit Before Tax** | **32,699** | **38,225** | **45,639** | **53,126** |
| *Margin (%)* | *16.9* | *17.8* | *18.6* | *19.0* |
| Total Tax | 10,988 | 8,218 | 11,638 | 13,547 |
| *Effective tax rate (%)* | *33.6* | *21.5* | *25.5* | *25.5* |
| **Profit after tax** | **21,711** | **30,006** | **34,001** | **39,579** |
| Minority interest | 617 | 612 | 567 | 678 |
| Share Profit from Associate | 408 | 507 | 589 | 640 |
| **Adjusted PAT** | **21,502** | **29,901** | **34,023** | **39,542** |
| *YoY gr. (%)* | *8.9* | *39.1* | *13.8* | *16.2* |
| *Margin (%)* | *11.1* | *13.9* | *13.8* | *14.1* |
| Extra Ord. Income / (Exp) | - | - | - | - |
| **Reported PAT** | **21,502** | **29,901** | **34,023** | **39,542** |
| *YoY gr. (%)* | *5.2* | *39.1* | *13.8* | *16.2* |
| *Margin (%)* | *11.1* | *13.9* | *13.8* | *14.1* |
| Other Comprehensive Income | (136) | - | - | - |
| Total Comprehensive Income | 21,366 | 29,901 | 34,023 | 39,542 |
| **Equity Shares O/s (m)** | **959** | **959** | **959** | **959** |
| **EPS (Rs)** | **22.4** | **31.2** | **35.5** | **41.2** |

*Source: Company Data, PL Research*

### Balance Sheet Abstract (Rs m)

| Y/e Mar | FY19 | FY20E | FY21E | FY22E |
|---|---|---|---|---|
| **Non-Current Assets** | | | | |
| **Gross Block** | **82,932** | **95,132** | **102,832** | **111,532** |
| Tangibles | 78,978 | 90,978 | 98,478 | 106,978 |
| Intangibles | 3,954 | 4,154 | 4,354 | 4,554 |
| **Acc: Dep / Amortization** | **27,633** | **33,623** | **39,843** | **46,571** |
| Tangibles | 26,416 | 31,940 | 37,671 | 43,886 |
| Intangibles | 1,217 | 1,683 | 2,172 | 2,685 |
| **Net fixed assets** | **55,299** | **61,509** | **62,989** | **64,961** |
| Tangibles | 52,562 | 59,038 | 60,807 | 63,092 |
| Intangibles | 2,737 | 2,471 | 2,182 | 1,869 |
| Capital Work In Progress | 2,097 | 4,000 | 6,000 | 4,000 |
| Goodwill | 3,213 | 3,213 | 3,213 | 3,213 |
| Non-Current Investments | 17,006 | 18,221 | 19,575 | 21,037 |
| Net Deferred tax assets | (5,397) | (3,649) | (3,390) | (3,090) |
| Other Non-Current Assets | 2,318 | 2,696 | 3,635 | 4,458 |
| **Current Assets** | | | | |
| Investments | 11,745 | 14,805 | 23,550 | 39,086 |
| Inventories | 31,499 | 34,721 | 39,038 | 43,728 |
| Trade receivables | 19,134 | 21,480 | 24,231 | 27,234 |
| Cash & Bank Balance | 4,449 | 4,740 | 6,140 | 7,049 |
| Other Current Assets | 4,010 | 4,511 | 5,159 | 5,880 |
| **Total Assets** | **156,613** | **176,328** | **201,095** | **229,235** |
| **Equity** | | | | |
| Equity Share Capital | 959 | 959 | 959 | 959 |
| Other Equity | 94,238 | 112,161 | 129,416 | 149,762 |
| **Total Networth** | **95,197** | **113,120** | **130,376** | **150,722** |
| **Non-Current Liabilities** | | | | |
| Long Term borrowings | 195 | 71 | 43 | 26 |
| Provisions | 1,556 | 1,735 | 1,955 | 2,226 |
| Other non current liabilities | 30 | 30 | 30 | 30 |
| **Current Liabilities** | | | | |
| ST Debt / Current of LT Debt | 6,076 | 5,001 | 4,590 | 4,687 |
| Trade payables | 23,943 | 26,322 | 30,995 | 35,284 |
| Other current liabilities | 20,270 | 22,293 | 25,576 | 28,990 |
| **Total Equity & Liabilities** | **156,613** | **176,327** | **201,095** | **229,235** |

*Source: Company Data, PL Research*

### Cash Flow (Rs m)

| Y/e Mar | FY19 | FY20E | FY21E | FY22E |
|---|---|---|---|---|
| PBT | 32,699 | 38,225 | 45,639 | 53,126 |
| Add. Depreciation | 4,307 | 7,918 | 8,245 | 8,853 |
| Add. Interest | 510 | 1,009 | 870 | 868 |
| Less Financial Other Income | 2,271 | 3,329 | 3,718 | 4,784 |
| Add. Other | (172) | - | - | - |
| Op. profit before WC changes | 37,344 | 47,152 | 54,755 | 62,848 |
| Net Changes-WC | (3,852) | (9,300) | (13,943) | (21,574) |
| Direct tax | (10,988) | (8,218) | (11,638) | (13,547) |
| **Net cash from Op. activities** | **22,503** | **29,634** | **29,174** | **27,726** |
| Capital expenditures | (13,542) | (16,032) | (11,725) | (8,826) |
| Interest / Dividend Income | - | - | - | - |
| Others | (2,134) | (525) | (526) | (563) |
| **Net Cash from Invt. activities** | **(15,676)** | **(16,557)** | **(12,251)** | **(9,389)** |
| Issue of share cap. / premium | (227) | 1,237 | (567) | (678) |
| Debt changes | 3,819 | 230 | 2,372 | 2,970 |
| Dividend paid | (10,272) | (13,703) | (16,767) | (19,196) |
| Interest paid | (510) | (1,009) | (870) | (868) |
| Others | - | - | - | - |
| **Net cash from Fin. activities** | **(7,189)** | **(13,245)** | **(15,832)** | **(17,771)** |
| **Net change in cash** | **(362)** | **(168)** | **1,092** | **566** |
| Free Cash Flow | 8,962 | 13,602 | 17,449 | 18,900 |

*Source: Company Data, PL Research*

### Key Financial Metrics

| Y/e Mar | FY19 | FY20E | FY21E | FY22E |
|---|---|---|---|---|
| **Per Share(Rs)** | | | | |
| EPS | 22.4 | 31.2 | 35.5 | 41.2 |
| CEPS | 26.9 | 39.4 | 44.1 | 50.5 |
| BVPS | 99.2 | 117.9 | 135.9 | 157.1 |
| FCF | 9.3 | 14.2 | 18.2 | 19.7 |
| DPS | 8.9 | 11.9 | 14.5 | 16.6 |
| **Return Ratio(%)** | | | | |
| RoCE | 32.4 | 32.7 | 33.8 | 33.9 |
| ROIC | 25.9 | 31.2 | 32.9 | 37.0 |
| RoE | 24.0 | 28.7 | 27.9 | 28.1 |
| **Balance Sheet** | | | | |
| Net Debt : Equity (x) | (0.1) | (0.1) | (0.2) | (0.3) |
| Net Working Capital (Days) | 50 | 51 | 48 | 47 |
| **Valuation(x)** | | | | |
| PER | 78.8 | 56.7 | 49.8 | 42.9 |
| P/B | 17.8 | 15.0 | 13.0 | 11.2 |
| P/CEPS | 65.7 | 44.8 | 40.1 | 35.0 |
| EV/EBITDA | 47.8 | 38.4 | 32.7 | 28.5 |
| EV/Sales | 8.7 | 7.8 | 6.8 | 5.9 |
| Dividend Yield (%) | 0.5 | 0.7 | 0.8 | 0.9 |

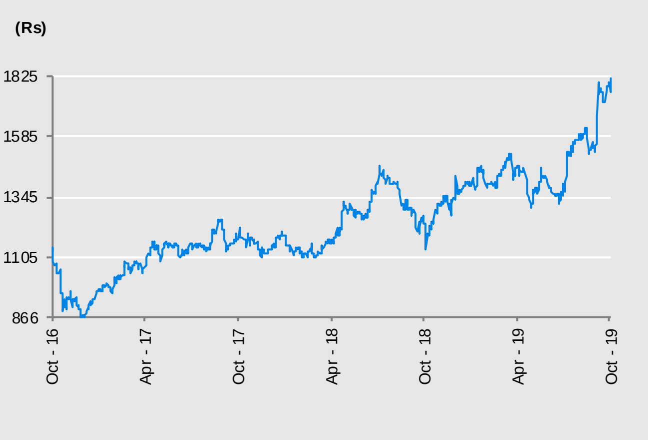
*Source: Company Data, PL Research*

### Quarterly Financials (Rs m)

| Y/e Mar | Q3FY19 | Q4FY19 | Q1FY20 | Q2FY20 |
|---|---|---|---|---|
| **Net Revenue** | **52,940** | **50,182** | **51,306** | **50,507** |
| *YoY gr. (%)* | *24.3* | *11.9* | *16.9* | *8.9* |
| Raw Material Expenses | 31,250 | 29,326 | 28,970 | 29,072 |
| Gross Profit | 21,690 | 20,856 | 22,337 | 21,435 |
| *Margin (%)* | *41.0* | *41.6* | *43.5* | *42.4* |
| **EBITDA** | **10,430** | **8,230** | **11,563** | **9,548** |
| *YoY gr. (%)* | *17.0* | *(2.0)* | *32.2* | *21.8* |
| *Margin (%)* | *19.7* | *16.4* | *22.5* | *18.9* |
| Depreciation / Depletion | 1,154 | 1,301 | 1,926 | 1,972 |
| **EBIT** | **9,276** | **6,929** | **9,636** | **7,577** |
| *Margin (%)* | *17.5* | *13.8* | *18.8* | *15.0* |
| Net Interest | 148 | 153 | 268 | 259 |
| Other Income | 452 | 569 | 736 | 1,052 |
| **Profit before Tax** | **9,580** | **7,344** | **10,104** | **8,369** |
| *Margin (%)* | *18.1* | *14.6* | *19.7* | *16.6* |
| Total Tax | 3,263 | 2,529 | 3,505 | 72 |
| *Effective tax rate (%)* | *34.1* | *34.4* | *34.7* | *0.9* |
| **Profit after Tax** | **6,317** | **4,816** | **6,599** | **8,296** |
| Minority interest | 116 | 143 | 167 | 220 |
| Share Profit from Associates | 154 | 59 | 122 | 125 |
| **Adjusted PAT** | **6,356** | **4,731** | **6,554** | **8,201** |
| *YoY gr. (%)* | *12.1* | *(4.6)* | *17.5* | *66.4* |
| *Margin (%)* | *12.0* | *9.4* | *12.8* | *16.2* |
| Extra Ord. Income / (Exp) | - | - | - | - |
| **Reported PAT** | **6,356** | **4,731** | **6,554** | **8,201** |
| *YoY gr. (%)* | *12.1* | *(4.6)* | *17.5* | *66.4* |
| *Margin (%)* | *12.0* | *9.4* | *12.8* | *16.2* |
| Other Comprehensive Income | (345) | (46) | 9 | 74 |
| **Total Comprehensive Income** | **6,011** | **4,685** | **6,564** | **8,275** |
| Avg. Shares O/s (m) | 959 | 959 | 959 | 959 |
| **EPS (Rs)** | **6.6** | **4.9** | **6.8** | **8.6** |

*Source: Company Data, PL Research*

## Price Chart




## Recommendation History

| No. | Date | Rating | TP (Rs.) | Share Price (Rs.) |
|---|---|---|---|---|
| 1 | 3-Oct-19 | Accumulate | 1,640 | 1,749 |
| 2 | 24-Jul-19 | Accumulate | 1,522 | 1,479 |
| 3 | 4-Jul-19 | Accumulate | 1,433 | 1,360 |
| 4 | 9-May-19 | Accumulate | 1,433 | 1,386 |
| 5 | 5-Apr-19 | Accumulate | 1,480 | 1,514 |
| 6 | 22-Jan-19 | Accumulate | 1,460 | 1,407 |
| 7 | 7-Jan-19 | Accumulate | 1,300 | 1,396 |

## Analyst Coverage Universe

| Sr. No. | Company Name | Rating | TP (Rs) | Share Price (Rs) |
|---|---|---|---|---|
| 1 | Asian Paints | Accumulate | 1,640 | 1,749 |
| 2 | Avenue Supermarts | Reduce | 1,647 | 1,843 |
| 3 | Britannia Industries | Accumulate | 3,307 | 2,903 |
| 4 | Colgate Palmolive | Reduce | 1,240 | 1,490 |
| 5 | Crompton Greaves Consumer Electricals | BUY | 300 | 244 |
| 6 | Dabur India | Hold | 464 | 434 |
| 7 | Emami | Accumulate | 373 | 317 |
| 8 | Future Retail | BUY | 477 | 381 |
| 9 | GlaxoSmithKline Consumer Healthcare | Hold | 8,631 | 8,456 |
| 10 | Havells India | Reduce | 640 | 702 |
| 11 | Hindustan Unilever | Accumulate | 2,083 | 2,009 |
| 12 | ITC | BUY | 344 | 262 |
| 13 | Jubilant FoodWorks | BUY | 1,753 | 1,435 |
| 14 | Kansai Nerolac Paints | Accumulate | 507 | 496 |
| 15 | Marico | Hold | 339 | 384 |
| 16 | Nestle India | Hold | 12,149 | 13,710 |
| 17 | Pidilite Industries | Accumulate | 1,429 | 1,393 |
| 18 | Titan Company | BUY | 1,282 | 1,296 |
| 19 | Voltas | Hold | 626 | 674 |

## PL's Recommendation Nomenclature (Absolute Performance)

| | | |
|---|---|---|
| **Buy** | : | > 15% |
| **Accumulate** | : | 5% to 15% |
| **Hold** | : | +5% to -5% |
| **Reduce** | : | -5% to -15% |
| **Sell** | : | < -15% |
| **Not Rated (NR)** | : | No specific call on the stock |
| **Under Review (UR)** | : | Rating likely to change shortly |

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