

Amber Enterprises

Refer to important disclosures at the end of this report

Lockdown, high channel inventory spoil Q1

CMP: Rs 1,779

as of (August 10, 2020)

TP: Rs 1,619 (▲)

12 months

Rating: HOLD (■)

Upside: (9.0) %

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- Amber reported a weak performance, owing to the loss of RAC sales during summer months and high channel inventory. EBITDA was impacted by weak product mix and detention charges paid to shipping companies.
- RAC volumes were down 81%, within that higher proportion came from ODUs. In components segment, Sidwal's performance was relatively resilient with a 30% yoy fall. The order book in Sidwal stood at Rs5.5bn with fresh order wins of Rs1.15bn in Q1.
- Management is optimistic about a potential policy announcement under the 'Atmanirbhar' program, which will promote the component ecosystem, import substitution and eventually create export opportunities.
- Our revenue assumptions are largely unchanged, while we cut FY21E EBITDA by 8% (uncaged for FY22/23E) on higher costs in Q1. We maintain Hold with a revised TP of Rs1,619 (25x PE on Sept'22E).

Lockdown and high channel inventory leads to slump in revenue

Consolidated revenue declined 79% yoy to Rs2.6bn, impacted by an 81% fall in AC revenue and a 74% yoy drop reported by subsidiaries. Sidwal saw the lowest revenue decline of 30% yoy. EBITDA loss was at Rs55mn on account of negative operating leverage. Employee and Other expenses declined 5% and 59% yoy to Rs225mn and Rs249mn, respectively. Net loss stood at Rs224mn, restricted by a deferred tax write-back of Rs126mn.

Outlook

FY21 is expected to be a washed-out year as demand recovery is expected from Q4. Nevertheless, we believe that Amber would continue to gain market share through import substitution and deliver better than industry growth in FY22E. It has the potential to gain share in the component segment. We have baked in fairly optimistic growth assumptions for FY22 and market gains till FY23. We remain watchful of government policies to assess the potential benefit accruing to Amber. It has started exporting motors, and management is optimistic about incremental order wins as brands are looking for 'China plus one' strategy. Management is hopeful of large export opportunities, while we are not penciling any benefit arising from exports yet in our estimates, which are expected mostly from FY23. We have increased our target multiple to 25x as we have not factored export revenues and potential benefits of policy intervention. Key risks: Slower recovery than expected; in-house manufacturing by brands that can lead to a loss of business for the company; higher working capital requirement; and adverse currency movement.

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

Financial Snapshot (Consolidated)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	27,520	39,628	34,697	49,658	55,603
EBITDA	2,129	3,093	2,463	3,973	4,420
EBITDA Margin (%)	7.7	7.8	7.1	8.0	8.0
APAT	937	1,584	830	1,928	2,145
EPS (Rs)	29.8	50.4	26.4	61.3	68.2
EPS (% chg)	50.3	69.1	(47.6)	132.4	11.3
ROE (%)	10.0	15.0	7.1	14.7	14.2
P/E (x)	59.7	35.3	67.4	29.0	26.1
EV/EBITDA (x)	27.3	18.9	23.8	14.8	13.1
P/BV (x)	5.7	5.0	4.6	4.0	3.4

Source: Company, Emkay Research



Change in Estimates

EPS Chg FY21E/FY22E (%)	(17.3)/(0.1)
Target Price change (%)	13.7
Target Period (Months)	12
Previous Reco	HOLD

Emkay vs Consensus

EPS Estimates		
	FY21E	FY22E
Emkay	26.4	61.3
Consensus	35.9	65.9
Mean Consensus TP (12M)	Rs 1,449	

Stock Details

Bloomberg Code	AMBER IN
Face Value (Rs)	10
Shares outstanding (mn)	31
52 Week H/L	1,809 / 780
M Cap (Rs bn/USD bn)	56 / 0.75
Daily Avg Volume (nos.)	88,023
Daily Avg Turnover (US\$ mn)	1.7

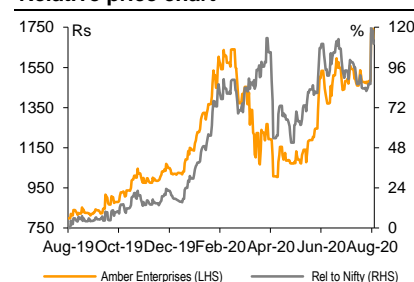
Shareholding Pattern Jun '20

Promoters	44.0%
FIIIs	13.3%
DIIIs	6.6%
Public and Others	36.1%

Price Performance

(%)	1M	3M	6M	12M
Absolute	21	60	15	127
Rel. to Nifty	17	31	25	119

Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

Naval Seth

naval.seth@emkayglobal.com
+91 22 6624 2414

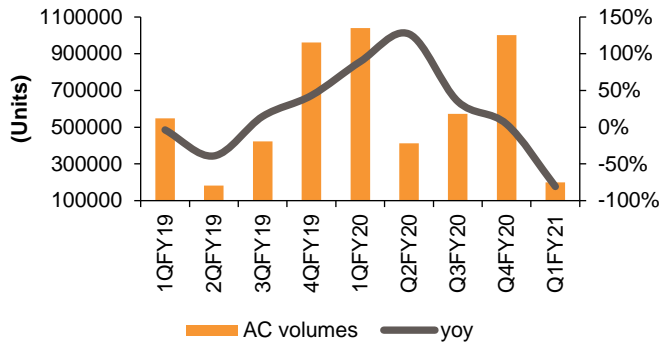
Aakash Fadia

aakash.fadia@emkayglobal.com
+91 22 6612 1241

Other highlights

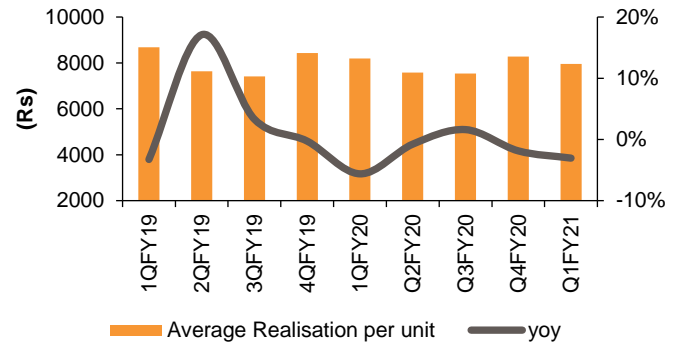
- The Air Conditioner segment reported a revenue decline of 81% in Q1 as the RAC industry was saddled with high inventory due to the loss of sales in peak summer months of April and May. The Components and Mobility business declined 74% yoy.
- Sidwal revenue declined 30% yoy, the lowest among subsidiaries. Sidwal reported revenue and EBITDA of Rs310mn and Rs50mn, respectively.
- All other subsidiaries reported a revenue decline in the range of 81-84% yoy. PICL (-84%), ILJIN (-81%) and Ever (-81%). PICL, ILJIN and Ever has reported EBITDA losses of Rs18mn, Rs17mn and Rs12mn, respectively.

Exhibit 1: RAC volume – Quarterly trend (standalone)



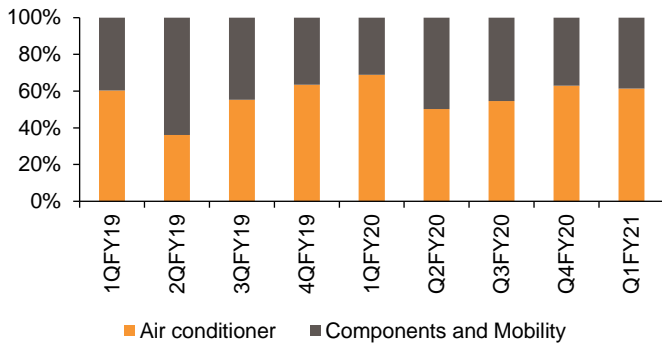
Source: Company, Emkay Research

Exhibit 2: Average realization per unit – Quarterly trend (standalone)



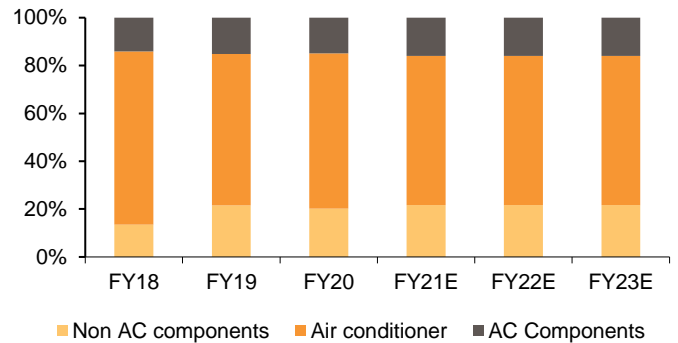
Source: Company, Emkay Research

Exhibit 3: Consolidated quarterly revenue breakdown



Source: Company, Emkay Research

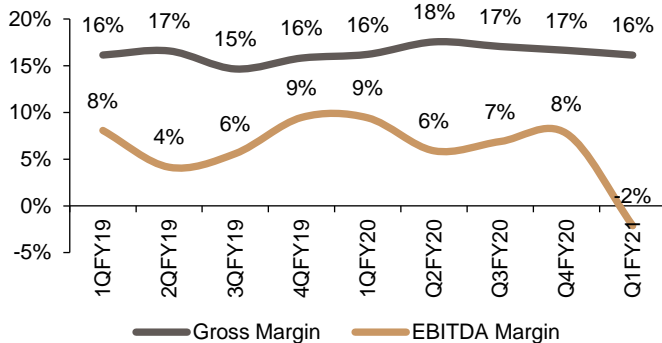
Exhibit 4: Consolidated annual revenue breakdown



Source: Company, Emkay Research

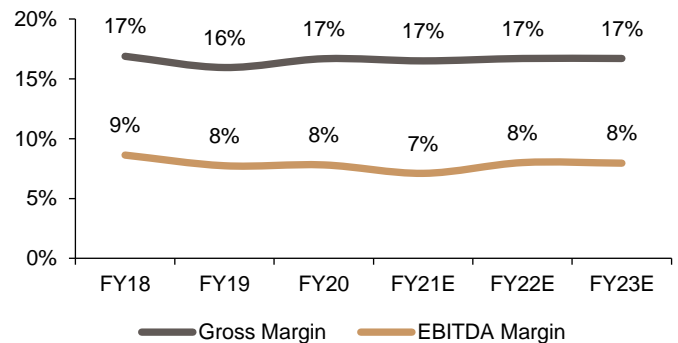
- Consolidated gross margin expanded by 83bps yoy to 16.6% in Q4FY20.

Exhibit 5: Consolidated gross margin and EBITDA margin



Source: Company, Emkay Research

Exhibit 6: Gross margin and EBITDA margin - Consolidated



Source: Company, Emkay Research

Exhibit 7: Actual vs. Estimates – Consolidated (Q1FY20)

(Rs mn)	Actual	Estimate (Emkay)	Consensus estimate (Bloomberg)	% variation		Comment
				Emkay	Consensus	
Revenue	2,595	3,769	4,945	-31%	-48%	Lockdown and high channel inventory for RAC led to slump in revenue
EBITDA	-55	-11	167	398%	-133%	Negative operating leverage resulted in EBITDA loss
EBITDA Margin	-2.1%	-0.3%	3.4%	-183 bps	-551 bps	
PAT	-224	-264	-220	-15%	2%	

Source: Company, Emkay Research

Exhibit 8: Standalone quarterly financials

Rs mn	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	YoY (%)	QoQ (%)
Total Sales	9,957	3,934	5,676	10,461	1,908	(80.8)	(81.8)
Raw Material	8484	3351	4921	8893	1682	(80.2)	(81.1)
as % of sales	85.2	85.2	86.7	85.0	88.2		
Employee Cost	126.0	119.6	127.8	144.3	105.6	(16.1)	(26.8)
as % of sales	1.3	3.0	2.3	1.4	5.5		
Other operating expenses	414	291	358	663	177	(57.2)	(73.2)
as % of sales	4.2	7.4	6.3	6.3	9.3		
Total Expenditure	9,024	3,762	5,406	9,700	1,965	(78.2)	(79.7)
EBITDA	933	171	270	761	-57	(106.1)	(107.5)
Depreciation	145.2	149.0	155.0	161.4	168.2	15.8	4.2
EBIT	788	22	115	599	-225	(128.6)	(137.6)
Other Income	50	-6	20	-6	27	(46)	(560.0)
Interest	76.5	70.8	73.1	73.6	87.5	14	18.9
PBT	762	-54	62	520	-286	(137.5)	(154.9)
Tax	275.9	-100.2	-53.6	-12.5	-98.0	(135.5)	686.8
PAT before MI	486	46	115	532	-187	(138.6)	(135.2)
Margins (%)						(bps)	(bps)
Gross Margin	14.8	14.8	13.3	15.0	11.8	(295)	(314)
EBIDTA	9.4	4.4	4.8	7.3	(3.0)	(1,236)	(1,026)
EBIT	7.9	0.6	2.0	5.7	(11.8)	(1,971)	(1,753)
EBT	7.7	(1.4)	1.1	5.0	(15.0)	(2,261)	(1,993)
PAT	4.9	1.2	2.0	5.1	(9.8)	(1,470)	(1,491)
Effective Tax rate	36.2	184	(86.7)	(2.4)	NA	NA	NA

Source: Company, Emkay Research

Exhibit 9: Consolidated quarterly financials

Rs mn	Q1FY20	Q2FY20	Q3FY20	4QFY20	4QFY21	YoY (%)	QoQ (%)
Total Sales	12,359	6,232	7,884	13,152	2,595	(79.0)	(80.3)
Raw Material	10355	5139	6540	10963	2176	(79.0)	(80.2)
as % of sales	83.8	82.4	82.9	83.4	83.9		
Employee Cost	235.7	251.1	270.5	305.6	224.8	(4.6)	(26.4)
as % of sales	1.9	4.0	3.4	2.3	8.7		
Other operating expenses	605	476	531	864	249	(58.8)	(71.2)
as % of sales	4.9	7.6	6.7	6.6	9.6		
Total Expenditure	11195	5865	7342	12133	2650	(76.3)	(78.2)
EBITDA	1164	367	543	1019	-55	(104.7)	(105.4)
Depreciation	200.2	213.4	214.6	219.5	228.7	14.2	4.2
EBIT	964	154	328	799	-284	(129.5)	(135.5)
Other Income	61	-1	22	0	30	(50.4)	(15,215.9)
Interest	109.7	105.9	105.2	98.3	102.3	(6.7)	4.1
PBT	915	46	245	701	-356	(138.9)	(150.8)
Tax	272.0	-75.4	-3.3	72.6	-116.7	(142.9)	
PAT before MI	643	122	248	628	-239	(137.2)	(138.1)
Minority interest	31.1	4.0	22.4	-0.1	-14.7		
PAT	612	118	226	628	-224	(136.7)	(135.7)
Margins (%)							(bps)
Gross Margin	16.2	17.6	17.1	16.6	16.1	(8)	(51)
EBIDTA	9.4	5.9	6.9	7.7	(2.1)	(1,155)	(988)
EBIT	7.8	2.5	4.2	6.1	(10.9)	(1,874)	(1,702)
EBT	7.4	0.7	3.1	5.3	(13.7)	(2,112)	(1,905)
PAT	5.0	1.9	2.9	4.8	(8.7)	(1,360)	(1,343)
Effective Tax rate	29.7	(162.3)	(1.3)	10.4	32.8	308	2,243

Source: Company, Emkay Research

Considering weak Q1, we have reduced our EBITDA margin estimates in FY21 by 60bps, resulting in EBITDA estimate cut by 8.1% and PAT estimate cut by 17.3% for FY21. FY22 and FY23 estimates remain unchanged.

Exhibit 10: Estimate revision

Particulars	FY21E			FY22E			FY23E		
	Old	New	% Change	Old	New	% Change	Old	New	% Change
AC Revenue	20,124	20,003	-0.6%	29,179	29,149	-0.1%	32,681	32,647	-0.1%
Non AC Revenue	14,695	14,695	0.0%	20,509	20,509	0.0%	22,956	22,956	0.0%
Revenue	34,818	34,697	-0.3%	49,688	49,658	-0.1%	55,637	55,603	-0.1%
EBITDA	2,681	2,463	-8.1%	3,975	3,973	-0.1%	4,423	4,420	-0.1%
EBITDA Margin %	7.7	7.1	-60 bps	8.0	8.0	0 bps	8.0	8.0	0 bps
PAT	1003	830	-17.3%	1926	1928	0.1%	2146	2145	0.0%
EPS	31.9	26.4	-17.3%	61.2	61.3	0.1%	68.3	68.2	0.0%

Source: Emkay Research

Exhibit 11: Key revenue assumptions

Rs mn	FY18	FY19E	FY20E	FY21E	FY22E	FY23E
Air-Conditioner	15,404	17,408	24,246	20,003	29,149	32,647
% yoy growth	23%	13%	39%	-18%	46%	12%
AC Components	2,999	4,172	5,557	5,112	7,413	8,303
% yoy growth	58%	39%	33%	-8%	45%	12%
Non AC Components	2,877	5,941	7,565	6,960	10,092	11,303
% yoy growth	37%	106%	27%	-8%	45%	12%
Sidwal			2,260	2,622	3,004	3,350
% yoy growth				16%	15%	12%
Total Revenue	21,281	27,520	39,628	34,697	49,658	55,603
% yoy growth	29%	29%	44%	-12%	43%	12%

Source: Company, Emkay Research

Conference call highlights

- **Demand uptick in May and June positively surprised and especially demand from Tier II and III towns along with strong sales through e-commerce platform.**
 - Pent-up demand led to inventory liquidation and fresh orders from OEMs. In June, capacity utilization was 50-60% and July utilization at 65-70% yoy. Industry inventory stood at 2.2mn till mid-May, with 1.1mn RACs sold in May and June. As per management, till date, ~1.5mn RACs have been liquidated from inventory and inventory levels would further moderate by September.
 - **Demand in Q2 is expected to be at ~65-70% of last year levels. Demand is expected to return to the normal level from Q3.**
- **'Atmanirbhar Bharat': The implementation of 'PMP' for RAC and components under which import duties will be hiked over the next 5 years. Additionally, the PLI scheme is also expected to be implemented soon.**
 - The PLI scheme appears similar to the scheme for mobile phones, with low investment criteria for domestic companies and high for international firms. In RAC as well, the incentives will be for RAC and its components. If incentives are announced in the range of 4-6%, it will make Indian companies competitive.
 - **The 'China plus one' strategy has started unfolding, with fresh enquiries from various brands for exports.**
 - **Compressors:** Currently 'Highly' has 2.5mn capacity and it is expanding it by another 1mn in the next 12 months. GMCC's initial capacity would be 1mn and expandable to 6mn. Additionally, one Japanese company is also looking to set up a plant. Management expects ~90% of compressor requirement to be met domestically in the next 3 years. **The government has to promote domestic manufacturing of components for compressor manufacturing to make policies more effective.**
 - **PCBA:** 35% of demand is met domestically, which would improve with potential policy framework. Currently, none of the components are imported for motors.
 - **Motors:** There are 3 companies manufacturing motors in India and all are expanding capacity to meet incremental demand under the self-reliant push by the government. Current ~30% of total demand is met domestically.
 - **R&D focus and basic electronic component manufacturing are vital for self-reliance and reduce imports.**
- **Exports:** Shipments have started for components to USA and Middle East. Management is developing separate models for USA market and the same will be launched for reliability tests. Management is targeting 30% of motor revenues from exports vs. ~10% currently. It has applied with 16 customers for motor supply.
- **Capacity:** At the current juncture, the company has 4.8-5mn capacity and for exports, capacity built-up would not be required as large part of exports would happen during May to Sept. **However, with a potential policy announcement, the company would require some built for components**
 - **Capex:** **Amber will have to spend Rs1.5bn over the two years as the customer cluster is coming in South and additional Rs1.5bn for the components once the policy initiatives are announced.**
 - Asset turn in components can be ~11x, while for Heat exchangers, it is restricted to 5x.
- **Sidwal:** The company has bagged new orders worth Rs1.15bn to be executed over the next 24 months. **The total order book stands at Rs5.5bn.**
 - Increased focus on R&D toward Truck and Bus refrigeration solutions
- **PICL:** New product development is the key focus area and it has widened to BLDC motors and it is in active discussions to launch washing machine (it is in reliability stage and Amber has got one order from a Japanese client) and commercial RACs'.
 - **Management expects to double revenues in the next two years**
- **ILJIN and Ever:** The company has been adding customers, and after reliability tests for its inverter AC PCB, management expects to add ~Rs2.5bn revenues over the next two years.

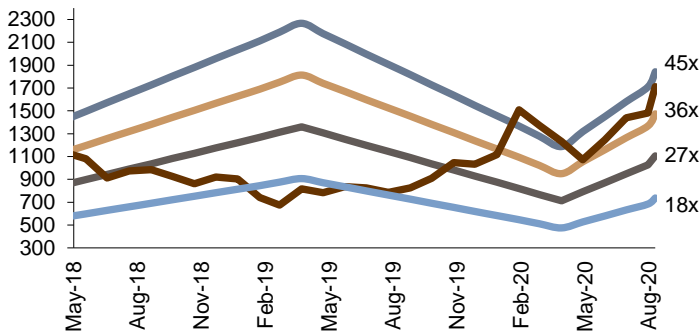
- **Costs:** Q1 standalone operating performance was impacted by weak product mix (higher proportion of IDU) and detention charges to shipment companies (impacting margins by 150-200bps).
- **Fund raise:** Primary agenda for enabling resolution is for organic components expansion, while due to Covid-19, there are a few inorganic opportunities available.
- **Gross debt Rs5.5bn and Rs1.5bn of cash.**

Exhibit 12: Subsidiaries financial

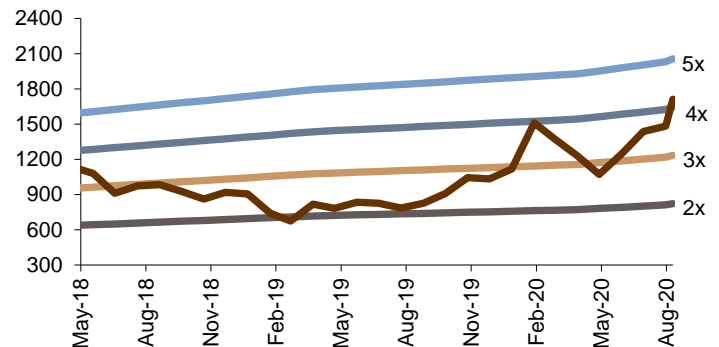
Rs mn	Q1FY20	Q2FY20	Q3FY20	4QFY20	4QFY21	YoY (%)	QoQ (%)
PICL	500	340	440	570	80	-84.0	-86.0
ILJIN	900	760	660	920	167	-81.4	-81.8
Ever	890	660	590	830	168	-81.1	-79.8
Sidwal	430	646	684	650	301	-30.0	-53.7
EBITDA							
PICL	38.3	15.4	26.3	30	-18	-147.0	-160.0
ILJIN	41.7	43.3	49.6	47.4	-17	-140.8	-135.9
Ever	21.9	31.7	19.2	28.2	-12	-154.8	-142.6
Sidwal	108.2	131.8	150	140	50	-53.8	-64.3
EBITDA Margin (%)							
						(bps)	(bps)
PICL	7.7	4.5	6.0	5.3	-22.5	NM	NM
ILJIN	4.6	5.7	7.5	5.2	-10.2	NM	NM
Ever	2.5	4.8	3.3	3.4	-7.1	NM	NM
Sidwal	25.2	20.4	21.9	21.5	16.6	-855	-493

Source: Company, Emkay Research

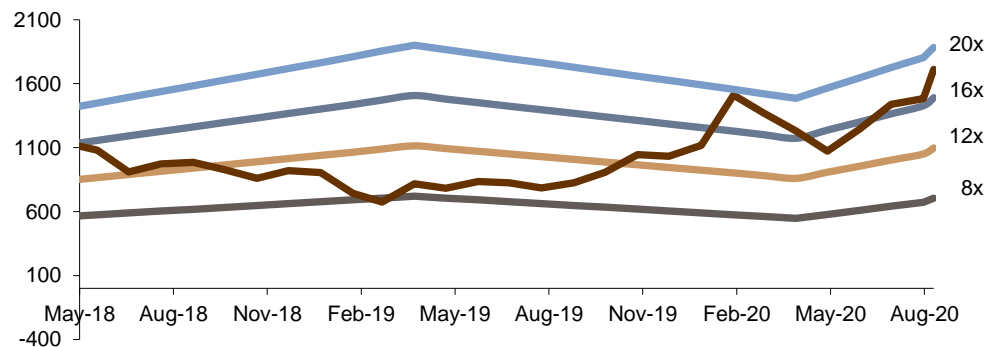
Valuations charts

Exhibit 13: 1-year forward P/E band

Source: Company, Emkay Research

Exhibit 14: 1-year forward P/B band

Source: Company, Emkay Research

Exhibit 15: 1-year forward EV/EBITDA band

Source: Company, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	27,520	39,628	34,697	49,658	55,603
Expenditure	25,391	36,535	32,234	45,685	51,182
EBITDA	2,129	3,093	2,463	3,973	4,420
Depreciation	623	848	956	1,057	1,169
EBIT	1,506	2,245	1,508	2,915	3,251
Other Income	99	82	168	159	122
Interest expenses	246	419	442	412	412
PBT	1,359	1,907	1,234	2,663	2,961
Tax	412	266	345	670	745
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	11	57	59	64	71
Reported Net Income	937	1,584	830	1,928	2,145
Adjusted PAT	937	1,584	830	1,928	2,145

Balance Sheet

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	314	314	314	314	314
Reserves & surplus	9,547	10,970	11,808	13,750	15,915
Net worth	9,861	11,284	12,122	14,064	16,230
Minority Interest	190	348	348	348	348
Loan Funds	2,479	3,205	5,205	4,205	4,205
Net deferred tax liability	438	678	678	678	678
Total Liabilities	12,969	15,515	18,353	19,296	21,461
Net block	8,095	11,058	11,819	12,379	12,986
Investment	0	0	0	0	0
Current Assets	15,276	17,833	17,670	22,543	25,896
Cash & bank balance	401	700	2,506	1,242	2,127
Other Current Assets	1,150	1,741	1,609	2,009	2,169
Current liabilities & Provision	10,739	13,494	11,254	15,744	17,539
Net current assets	4,537	4,339	6,416	6,799	8,357
Misc. exp	0	0	0	0	0
Total Assets	12,969	15,515	18,353	19,296	21,461

Cash Flow

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
PBT (Ex-Other income) (NI+Dep)	1,260	1,826	1,065	2,503	2,839
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(2,280)	737	(271)	(1,647)	(673)
Operating Cashflow	(631)	3,641	1,847	1,656	3,002
Capital expenditure	(1,657)	(3,592)	(1,717)	(1,617)	(1,777)
Free Cash Flow	(2,287)	49	130	39	1,225
Investments	57	0	0	0	0
Other Investing Cash Flow	383	0	0	0	0
Investing Cashflow	(1,117)	(3,511)	(1,548)	(1,457)	(1,655)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	1,340	726	2,000	(1,000)	0
Dividend paid (incl tax)	0	(121)	(50)	(50)	(50)
Other Financing Cash Flow	1,055	384	700	2,506	1,242
Financing Cashflow	2,149	570	2,207	1,044	780
Net chg in cash	401	700	2,506	1,242	2,127
Opening cash position	1,194	401	700	2,506	1,242
Closing cash position	401	700	2,506	1,242	2,127

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin	7.7	7.8	7.1	8.0	8.0
EBIT Margin	5.5	5.7	4.3	5.9	5.8
Effective Tax Rate	30.3	13.9	28.0	25.2	25.2
Net Margin	3.4	4.1	2.6	4.0	4.0
ROCE	13.7	16.3	9.9	16.3	16.6
ROE	10.0	15.0	7.1	14.7	14.2
RoIC	14.3	16.7	9.9	17.3	17.5

Per Share Data (Rs)	FY19	FY20	FY21E	FY22E	FY23E
EPS	29.8	50.4	26.4	61.3	68.2
CEPS	49.6	77.3	56.8	94.9	105.4
BVPS	313.6	358.8	385.5	447.2	516.1
DPS	0.0	3.2	1.6	1.6	1.6

Valuations (x)	FY19	FY20	FY21E	FY22E	FY23E
PER	59.7	35.3	67.4	29.0	26.1
P/CEPS	34.5	22.2	30.2	18.0	16.3
P/BV	5.7	5.0	4.6	4.0	3.4
EV / Sales	2.1	1.5	1.7	1.2	1.0
EV / EBITDA	27.3	18.9	23.8	14.8	13.1
Dividend Yield (%)	0.0	0.2	0.1	0.1	0.1

Gearing Ratio (x)	FY19	FY20	FY21E	FY22E	FY23E
Net Debt/ Equity	0.2	0.2	0.2	0.2	0.1
Net Debt/EBIDTA	1.0	0.8	1.1	0.7	0.5
Working Cap Cycle (days)	54.9	33.5	41.1	40.8	40.9

Growth (%)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	29.3	44.0	(12.4)	43.1	12.0
EBITDA	16.0	45.3	(20.3)	61.3	11.3
EBIT	11.9	49.1	(32.8)	93.3	11.5
PAT	50.3	69.1	(47.6)	132.4	11.3

Quarterly (Rs mn)	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21
Revenue	12,359	6,232	7,884	13,152	2,595
EBITDA	1,164	367	543	1,019	(55)
EBITDA Margin (%)	9.4	5.9	6.9	7.7	(2.1)
PAT	612	118	226	628	(224)
EPS (Rs)	19.5	3.7	7.2	20.0	(7.1)

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20
Promoters	44.0	44.0	44.0	44.0	44.0
FII	11.4	11.5	12.5	12.4	13.3
DII	5.7	6.0	6.0	7.2	6.6
Public and Others	38.8	38.5	37.5	36.4	36.1

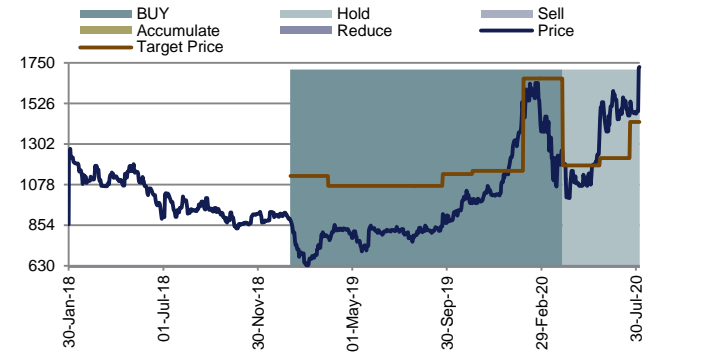
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
20-Jul-20	1,484	1,424	12m	Hold	Naval Seth
02-Jun-20	1,437	1,225	12m	Hold	Naval Seth
07-Apr-20	1,190	1,184	12m	Hold	Naval Seth
03-Apr-20	1,193	1,184	12m	Hold	Naval Seth
16-Mar-20	1,225	1,664	12m	Buy	Naval Seth
05-Mar-20	1,423	1,664	12m	Buy	Naval Seth
13-Feb-20	1,606	1,664	12m	Buy	Naval Seth
31-Jan-20	1,510	1,664	12m	Buy	Naval Seth
16-Dec-19	1,016	1,154	12m	Buy	Naval Seth
28-Nov-19	1,016	1,154	12m	Buy	Naval Seth
19-Nov-19	987	1,154	12m	Buy	Naval Seth
10-Nov-19	976	1,154	12m	Buy	Naval Seth
23-Sep-19	916	1,136	12m	Buy	Naval Seth
11-Sep-19	843	1,072	12m	Buy	Naval Seth
09-Aug-19	799	1,072	12m	Buy	Naval Seth
13-Jun-19	817	1,072	12m	Buy	Naval Seth
27-May-19	826	1,072	12m	Buy	Naval Seth
20-May-19	743	1,072	12m	Buy	Naval Seth
08-Apr-19	835	1,072	12m	Buy	Naval Seth
26-Mar-19	780	1,072	12m	Buy	Naval Seth
23-Mar-19	790	1,072	12m	Buy	Naval Seth
14-Mar-19	815	1,126	12m	Buy	Naval Seth
11-Feb-19	700	1,126	12m	Buy	Naval Seth
21-Jan-19	880	1,126	12m	Buy	Naval Seth

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Consumer Durables



Analyst: Naval Seth

Contact Details

naval.seth@emkayglobal.com
+91 22 66242414

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 18 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	0.76	0.76	0%	0	100.00
Amber Enterprises	0.00	0.01	NA	1	1.18
Blue Star	0.00	0.00	NA	0	0.00
Crompton Greaves CE	0.18	0.19	9%	2	25.40
Dixon Technologies	0.00	0.03	NA	3	3.96
Havells India	0.25	0.23	-7%	-2	30.7
V-Guard Industries	0.00	0.00	NA	0	0.00
Voltas	0.22	0.20	-13%	-3	25.53
Whirlpool Of India	0.11	0.10	-7%	-1	13.25
Cash	0.00	0.00	NA	0	0.0

Source: Emkay Research

* Not under coverage: Equal Weight

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

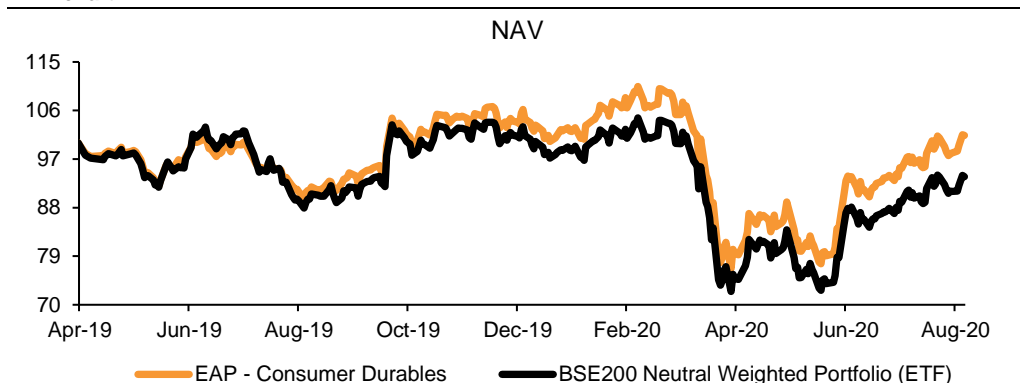
Sector portfolio NAV

	Base					Latest
	01-Apr-19	06-Nov-19	07-Feb-20	08-May-20	08-Jul-20	07-Aug-20
EAP - Consumer Durables	100.0	102.5	110.5	79.9	96.3	101.4
BSE200 Neutral Weighted Portfolio (ETF)	100.0	100.7	104.6	75.0	89.9	93.7

*Performance measurement base date 1st April 2019

Source: Emkay Research

NAV chart



Source: Emkay Research

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

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

“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: 10 Aug 2020 23:58:01 (SGT)

Dissemination Date: 10 Aug 2020 23:59:01 (SGT)

Sources for all charts and tables are Emkay Research unless otherwise specified.

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CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com