

Dixon technologies

Refer to important disclosures at the end of this report

Opportunities galore; execution remains key

- Q4 performance was in line with impact of commodity cost headwinds on ODM businesses (Lighting and Home appliances) and ESOP expense of Rs80mn. The TV business continued to see better product mix with higher demand for large screen sizes.
- Gross margins were impacted by the lag in passing on input costs to customers in ODM businesses and adverse revenue mix. Revenues from TV and Lighting in Q4 were marginally affected by components supply and demand moderation, respectively.
- Supported by a robust order book, the company continues to expand capacity in key segments. Management remains confident of achieving the upper ceiling of revenues under the Mobile PLI in FY22, and exports will also start in a few weeks.
- LED monitor manufacturing and plans to participate in the RAC PLI adds to current growth levers. We incorporate revenues accruing from the PLI schemes and Refrigerator category into our estimates. Retain Buy with a revised TP of Rs4,500 (45x Sep'23E EPS).

In-line revenues; one-time charge impacts profitability: Revenues rose significantly to Rs21.1bn, with all segments, except for reverse logistics, registering strong growth. EBITDA – though in line with our estimate by recording 43% yoy growth – was adversely affected by an Rs80mn expense stemming from ESOPs. Adjusting for this, EBITDA beat our estimates significantly. PAT grew 61% yoy, supported by higher other income. Revenues of the Consumer electronics and Lighting businesses saw 200% and 50% yoy growth, respectively, with the latter beating our estimates by 10%. The performance of the Mobile and EMS divisions was below expectations, with EBITDA impacted by higher fixed overheads.

Outlook: We have now incorporated revenues accruing from various PLI schemes (Telecom, Lighting and IT Hardware), as well as from LED monitor manufacturing and Refrigerator expansion. Increasing focus on exports in key segments augurs well for reducing the dependency on domestic revenues. Diversification, increasing scale and management's focus on deploying global best practices in the organization in collaboration with renowned consultants should benefit in the long term. Continued capacity expansion in business segments indicates strong order book, which in turn provides strong revenue visibility. With the majority of revenues coming from MNC brands, Dixon has already showcased its capabilities on product quality and execution. However, with exports starting at a global scale for the first-time would require sharper execution focus as company has multiple business opportunities to execute at the same time. We have cut FY22 EBITDA by 7% due to ongoing covid related disruptions. **Key risks:** adverse currency and continued commodity price inflation; customer loss and execution challenges; and rise in competitive intensity in the contract manufacturing space.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Consumer Durables \(page 12\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	44,001	64,482	1,24,689	1,80,062	2,33,516
EBITDA	2,231	2,866	5,307	7,702	10,039
EBITDA Margin (%)	5.1	4.4	4.3	4.3	4.3
APAT	1,205	1,598	3,217	4,954	6,622
EPS (Rs)	20.6	27.3	54.9	84.6	113.1
EPS (% chg)	90.2	32.7	101.3	54.0	33.7
ROE (%)	26.2	25.0	36.8	39.5	36.4
P/E (x)	194.0	146.3	72.7	47.2	35.3
EV/EBITDA (x)	104.8	81.6	44.2	30.4	22.9
P/BV (x)	43.2	31.7	23.1	15.6	10.9

Source: Company, Emkay Research

CMP	Target Price
Rs 3,993 as of (May 27, 2021)	Rs 4,500 (▲) 12 months
Rating	Upside
BUY (■)	12.7 %

Change in Estimates

EPS Chg FY22E/FY23E (%)	(9)/7
Target Price change (%)	25.0
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	54.9	84.6
Consensus	56.3	77.1
Mean Consensus TP (12M)	Rs 3,374	

Stock Details

Bloomberg Code	DIXON IN
Face Value (Rs)	2
Shares outstanding (mn)	59
52 Week H/L	4,588 / 905
M Cap (Rs bn/USD bn)	234 / 3.22
Daily Avg Volume (nos.)	3,50,352
Daily Avg Turnover (US\$ mn)	18.7

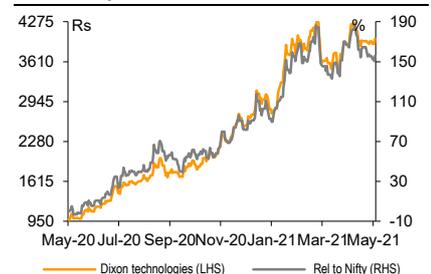
Shareholding Pattern Mar '21

Promoters	35.0%
FIIIs	20.6%
DIIIs	11.9%
Public and Others	32.5%

Price Performance

(%)	1M	3M	6M	12M
Absolute	(1)	1	68	339
Rel. to Nifty	(5)	(5)	42	166

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:

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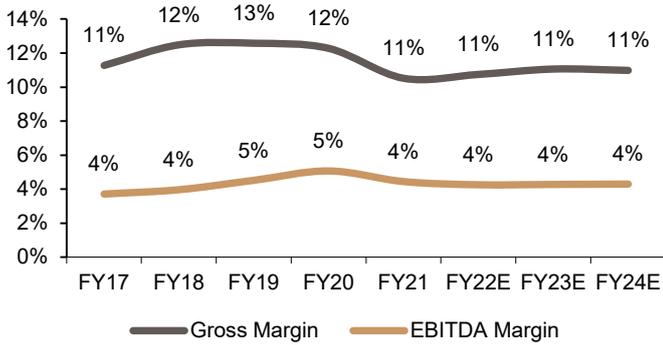
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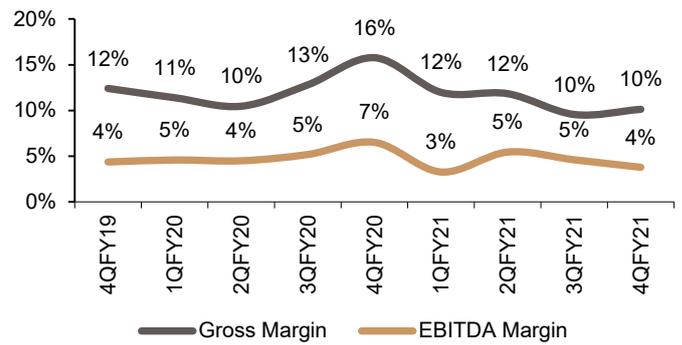
Story in charts

Exhibit 1: EBITDA margin are projected to stay stable



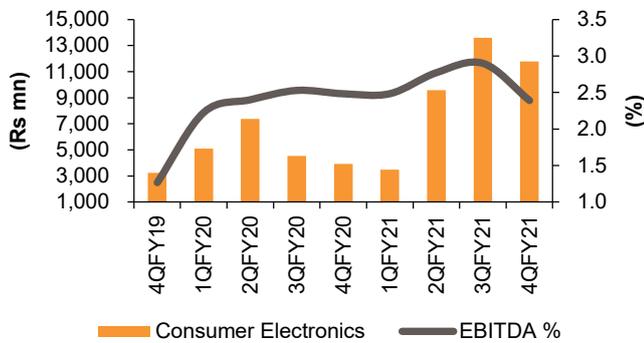
Source: Company, Emkay Research

Exhibit 2: Gross margin contraction was lower than estimates



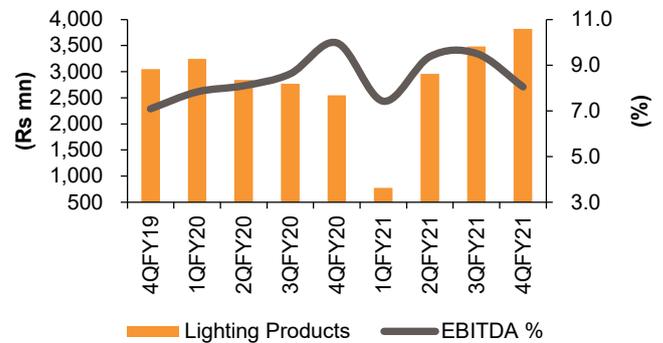
Source: Company, Emkay Research

Exhibit 3: Revenues for consumer electronics rose multifold



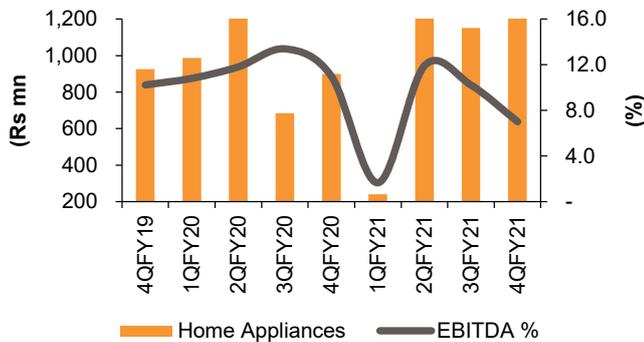
Source: Company, Emkay Research

Exhibit 4: Lighting revenues beat our projections by 10%



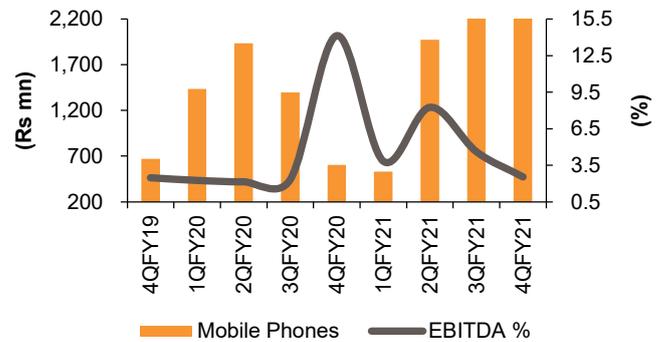
Source: Company, Emkay Research

Exhibit 5: Quarterly trend of home appliance revenue and EBITDA margins



Source: Company, Emkay Research

Exhibit 6: EBITDA for Mobile & EMS was impacted by higher fixed overheads



Source: Company, Emkay Research

Other highlights

- Revenue grew 146% yoy to Rs21.1bn, with all segments, except for reverse logistics, seeing strong growth.
- EBITDA improved 43% yoy and stood at Rs798mn, in line with expectations. It was adversely impacted by an expense of Rs80mn on account of ESOPs. EBITDA margin stood at 3.8% vs. 6.5% in Q4FY20.
- Gross margin contracted by 564bps yoy as base quarter had positive impact of inventory changes and favorable ODM revenue mix. However, the contraction was lower than our expectations. On sequential basis, favorable revenue mix restricted impact of commodity headwinds on GMs.
- Employee cost and other operating expenses increased 42% and 86% yoy, respectively.
- PAT of Rs443mn grew 61% yoy, supported by higher other income.
- Q4FY21 ETR stood at 27.8% vs. 26% in Q4FY20.
- Other income was Rs10mn vs. a slight loss in Q4FY20.
- Interest cost stood at Rs71mn vs. Rs77mn in Q4FY20.

Segment-wise details

- **Home Appliances:** Revenue grew 62.7% yoy to Rs1.5bn, with EBITDA of Rs103mn vs. Rs99mn in Q4FY20. EBITDA margin stood at 7% vs. 11% in Q4FY20.
- **Mobile and EMS division:** Revenue stood at Rs2.9bn, up 381% yoy. EBITDA margin stood at 2.5% in Q4FY21 vs. 14.1% in Q4FY20.
- **Consumer Electronics:** Revenue stood at Rs11.8bn - up 200% yoy. EBITDA margins stood at 2.4%, relatively stable yoy.
- **Lighting:** Revenue jumped 50% yoy to Rs3.8bn. EBITDA margins contracted 192bps due to the lag in passing on input cost to customers.
- **Security Systems:** Revenue during the quarter was Rs1.1bn vs. Rs546mn in the prior-year quarter. EBITDA margins stood at 2.9% (-60bps yoy).
- **Reverse logistics:** Revenue stood at Rs38mn, with EBITDA of Rs1mn.

Balance sheet and working capital

- Gross debt stood at Rs1.6bn vs. Rs867mn in FY20. Net cash position was Rs81mn vs. Rs135mn at FY20-end.
- The company managed to generate free cash-flow of Rs19mn vs. Rs1.3bn FY20-end.
- Cash conversion cycle stood at 0 days vs. -4 days in FY20.
- The board has approved fund raising of up to Rs5bn.
- Dividend of Rs1/share has been declared for the year.

Exhibit 7: Trend of working capital days

Particulars	FY17	FY18	FY19	FY20	FY21
Receivables days Outstanding (A)	41	38	81	41	46
Inventory Days Outstanding (B)	41	41	50	43	26
Payables days outstanding (C)	80	81	124	88	72
Cash Conversion Cycle / Working Capital Days (A+B-C)	2	-2	7	-4	0
RoCE(%)	37.8%	34.9%	27.3%	33.0%	31.4%
RoE(%)	30.6%	23.8%	18.3%	26.2%	25.0%

Source: Company, Emkay Research

Exhibit 8: Actual vs. estimates (Q4FY21)

(Rs mn)	Actual	Estimate		% Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Revenue	21,097	20,590	20,153	2%	5%	
EBITDA	798	792	982	1%	-19%	
EBITDA, margin	3.8%	3.8%	4.9%	-6 bps	-109 bps	
PAT	443	449	546	-1%	-19%	

Source: Company, Bloomberg, Emkay Research

Exhibit 9: Quarterly Financials

Rs mn	Q4FY20	1QFY21	2QFY21	3QFY21	4QFY21	YoY (%)	QoQ (%)	FY21	FY20	YoY (%)
Total Sales	8,574	5,169	16,387	21,828	21,097	146.1	(3.3)	64,482	44,001	46.5
Raw Material	7,222	4,550	14,447	19,740	18,960	162.5	(4.0)	57,697	38,602	49.5
as % of sales	84.2	88.0	88.2	90.4	89.9			89.5	87.7	
Employee Cost	308	198	359	377	437	41.9	16.1	1,371	1,180	16.2
as % of sales	3.6	3.8	2.2	1.7	2.1			2.1	2.7	
Other operating expenses	485	253	688	706	902	85.8	27.7	2,548	1,989	28.1
as % of sales	5.7	4.9	4.2	3.2	4.3			4.0	4.5	
Total Expenditure	8,015	5,001	15,494	20,823	20,299	153.3	(2.5)	61,616	41,771	47.5
EBITDA	559	169	894	1,005	798	42.8	(20.6)	2,866	2,230	28.5
Depreciation	109	93	109	113	123	12.6	9.2	437	365	19.7
EBIT	450	76	785	892	675	50.1	(24.3)	2,429	1,865	30.2
Other Income	-0	2	3	1	10	-	-	16	52	(69.6)
Interest	77	57	69	77	71	(7.2)	(7.5)	274	350	(21.5)
PBT	373	22	718	817	614	64.7	(24.9)	2,170	1,568	38.4
Tax	97	6	195	201	171	76.2	(15.1)	572	363	57.6
PAT	276	16	524	616	443	60.7	(28.1)	1,598	1,205	32.7
Margins (%)						(bps)	(bps)			(bps)
Gross Margin	15.8	12.0	11.8	9.6	10.1	(564)	57	10.5	12.3	(175)
EBIDTA	6.5	3.3	5.5	4.6	3.8	(273)	(82)	4.4	5.1	(62)
EBIT	5.2	1.5	4.8	4.1	3.2	(204)	(89)	3.8	4.2	(47)
EBT	4.3	0.4	4.4	3.7	2.9	(144)	(83)	3.4	3.6	(20)
PAT	3.2	0.3	3.2	2.8	2.1	(112)	(72)	2.5	2.7	(26)
Effective Tax rate	26.0	25.9	27.1	24.6	27.8	181	320	26.3	23.1	321

Source: Company, Emkay Research

Exhibit 10: Quarterly segmental financials

Rs mn	Q4FY20	1QFY21	2QFY21	3QFY21	4QFY21	YoY (%)	QoQ (%)	FY21	FY20	YoY (%)
Consumer Electronics	3,930	3,473	9,569	13,598	11,786	199.9	(13.3)	38,426	20,952	83.4
Lighting Products	2,548	777	2,957	3,486	3,817	49.8	9.5	11,037	11,397	(3.2)
Home Appliances	900	241	1,454	1,152	1,465	62.7	27.2	4,311	3,963	8.8
Mobile Phones	603	531	1,974	2,992	2,899	380.7	(3.1)	8,395	5,369	56.4
Reverse Logistics	47	14	36	45	38	(18.3)	(14.1)	133	156	(14.3)
Security Systems	546	134	397	555	1,092	99.8	96.6	2,178	2,164	0.7
Total Sales	8,574	5,170	16,387	21,828	21,097	146.1	(3.3)	64,482	44,001	46.5

EBITDA										
Consumer Electronics	98	86	265	394	282	188.8	(28.5)	1,028	503	104.2
Lighting Products	254	58	277	332	307	21.0	(7.3)	974	977	(0.3)
Home Appliances	99	4	173	118	103	4.0	(12.7)	397	461	(13.9)
Mobile Phones	85	20	163	138	74	(13.6)	(46.6)	394	191	106.5
Reverse Logistics	4	0	4	5	1	(76.7)	(78.3)	10	26	(63.1)
Security Systems	19	0	12	20	31	65.3	61.0	63	72	(13.1)
Total EBITDA	559	169	894	1,005	798	42.8	(20.6)	2,866	2,231	28.5

EBITDA Margins (%)						(bps)	(bps)				(bps)
Consumer Electronics	2.5	2.5	2.8	2.9	2.4	(9)	(51)	2.7	2.4	27	
Lighting Products	10.0	7.4	9.4	9.5	8.1	(192)	(146)	8.8	8.6	25	
Home Appliances	11.0	1.7	11.9	10.2	7.0	(396)	(320)	9.2	11.6	(242)	
Mobile Phones	14.1	3.8	8.2	4.6	2.5	(1,159)	(206)	4.7	3.6	114	
Reverse Logistics	9.2	2.9	10.2	10.3	2.6	(656)	(770)	7.3	16.9	(963)	
Security Systems	3.5	0.1	2.9	3.5	2.9	(60)	(64)	2.9	3.3	(46)	
Total EBITDA	6.5	3.3	5.5	4.6	3.8	(274)	(82)	4.4	5.1	(63)	

Source: Company, Emkay Research

Changes in estimates

We have cut revenue and EBITDA by 3% and 7%, respectively, for FY22 due to ongoing covid related disruptions and commodity inflation. However, FY23 revenue estimates are revised upwards as we incorporate revenues accruing from various PLI schemes and refrigerator category. This in turn is leading to EBITDA upgrade of 8%.

Exhibit 11: Changes in estimates

Particulars (Rs mn)	FY22E			FY23E			FY24E
	Old	New	% Change	Old	New	% Change	Introduced
Revenue	1,28,534	1,24,689	-3.0%	1,61,805	1,80,062	11.3%	2,33,516
EBITDA	5,695	5,307	-6.8%	7,103	7,702	8.4%	10,039
EBITDA Margin %	4.4	4.3	-17 bps	4.4	4.3	-11 bps	4.3
PAT	3537	3217	-9.0%	4627	4954	7.1%	6622
EPS	61.1	55.6	-9.0%	80.0	85.6	7.1%	114.5
Rs mn	FY22E			FY23E			FY24E
Revenue assumptions	Old	New	% Change	Old	New	% Change	Introduced
Lighting	14,393	13,535	-6.0%	16,888	15,673	-7.2%	17,647
Consumer Electronics	50,043	47,171	-5.7%	57,493	63,305	10.1%	72,732
Washing Machine	6,099	6,294	3.2%	7,624	8,183	7.3%	9,001
Mobiles	14,853	9,894	-33.4%	16,336	12,075	-26.1%	13,251
Mobile- PLI	40,000	40,000	0.0%	60,000	60,000	0.0%	80,010
Reverse Logistics	171	171	0.0%	191	191	0.0%	213
Security Systems	2,975	3,257	9.5%	3,273	3,908	19.4%	4,299
Others (including various PLI schemes and Refrigerator)	-	4,366	-	-	16,726	-	36,362
Total	1,28,534	1,24,689	-3.0%	1,61,805	1,80,062	11.3%	2,33,516

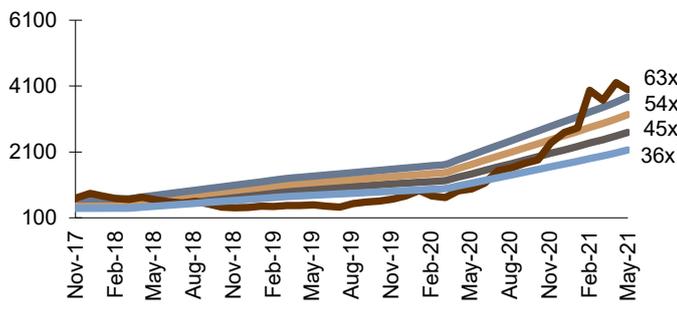
Source: Company, Emkay Research

Con-call highlights

- **Outlook on new opportunities:** The company has kicked off the Refrigerator manufacturing process. Initial capacity will be 0.6mn units annually, with expansion up to 1mn units. SKUs will be for 170-220ltr refrigerators. The company has applied for 10 acres land in Greater Noida for the facility. Commercial production is expected to start in Q3FY22.
 - **IT Hardware PLI:** Dixon has signed MoU with one of the largest global brands to start manufacturing of Laptops.
 - **Telecom and Networking PLI:** The company has signed an MoU with Bharti Enterprises and will submit the application once the process is started by the government. It has also signed agreements to start manufacturing modems and routers for telcos.
 - **RAC PLI:** The company is evaluating application for PCBAs with the existing Japanese partner to cater to both domestic and global markets.
- **Consumer Electronics:** Revenue growth was driven by a mix of pricing improvement (favorable mix with higher screen sizes) and higher volumes. The company has a capacity of 4.4mn units, and has started the production of large-screen TVs (70 inches and above). Capacity expansion to 5.5mn is in progress and it will include a dedicated line for 65-inch screens for anchor customers. SMT capacity will increase to 2.8mn from 1.8mn units currently. The company is setting up an injection molding unit to enhance backward integration.
 - The company has tied up with two large global brands for LED monitors, and production will start in Q3. Initial capacity will be 1mn, and expected volumes in FY22 will be 0.5mn. It expects a significant increase in order book from FY23.
- **Lighting:** Majority of the cost increase was passed on to the customers. Batten capacity is now at 3mn per month, with industry demand of 7mn. Down-lighter capacity was expanded to 1.5mn from 0.6mn. India demand is at 3mn units per month.
 - The company is expecting significant break-through on exports, and technical approvals are on the final stages.
 - Outdoor lighting will be launched in Q2FY22.
- **Home Appliances (washing machines):** Entire cost inflation has been passed on to the customers. The company is further expanding capacity to 1.5mn from 1.2mn units. ***Fully Automatic – Trials have been completed and the company is expecting commercial production to start in Aug-Sept'21. Bosch has a long approval timeline of seven months and commercial production will start in Oct'21, with 6-8kg machines.***
- **Mobile:** EBITDA was impacted by higher fixed overheads for manufacturing facility under the Mobile PLI scheme. The shortage of chipsets and displays impacted Q4FY21 performance and this could continue in Q1FY22 as well.
 - Commercial production has started for both Motorola and Nokia under PLI scheme. Management reiterated its guidance to achieve the upper ceiling of revenues under PLI in FY22. Exports for Motorola to SARC countries and the US will start in a few days. The company is in talks with one potential global brand for export of 5G phones to the US from Sept'21.
- **STB:** The company produced 0.6mn and 2.1mn STBs in Q4 and FY21 respectively. The order book stands at 0.5mn per month, while only 0.3mn units is achievable due to supply-chain issues.
- **Security Surveillance:** Order book remains strong - leading to capacity expansion
- **Wearables:** Commercial production for BOAT has already started and the order book will increase significantly. The company is awaiting PLI scheme on wearables.
- **Capex:** FY21 capex was Rs1.7bn, and it will increase in FY22 with more PLIs under implementation.
- **Process Blue Book:** The company has finalized a process Blue Book in collaboration with EY for all processes in its businesses. It will be implemented from 1st July.

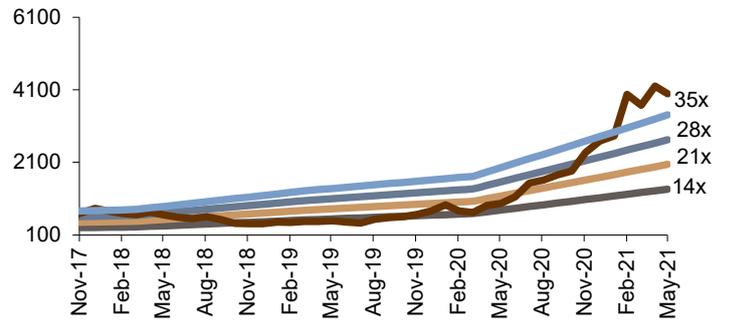
Valuation charts

Exhibit 12: 1-year forward P/E valuation band



Source: Company, Bloomberg, Emkay Research

Exhibit 13: 1-year forward EV/EBITDA valuation band



Source: Company, Bloomberg, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	44,001	64,482	1,24,689	1,80,062	2,33,516
Expenditure	41,771	61,616	1,19,381	1,72,360	2,23,476
EBITDA	2,231	2,866	5,307	7,702	10,039
Depreciation	365	437	680	866	990
EBIT	1,865	2,429	4,627	6,836	9,049
Other Income	52	16	115	73	89
Interest expenses	350	274	443	289	289
PBT	1,568	2,170	4,299	6,620	8,849
Tax	363	572	1,082	1,666	2,227
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	1,205	1,598	3,217	4,954	6,622
Adjusted PAT	1,205	1,598	3,217	4,954	6,622

Balance Sheet

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	116	117	116	116	116
Reserves & surplus	5,298	7,256	9,997	14,835	21,283
Net worth	5,413	7,373	10,113	14,951	21,399
Minority Interest	0	0	0	0	0
Loan Funds	867	1,513	2,013	1,313	1,313
Net deferred tax liability	148	184	181	181	181
Total Liabilities	6,428	9,070	12,307	16,445	22,893
Net block	3,239	4,181	5,653	6,842	7,227
Investment	0	953	0	0	0
Current Assets	13,635	22,600	35,372	50,442	68,299
Cash & bank balance	957	638	996	1,223	4,771
Other Current Assets	2,277	3,319	5,594	7,655	9,626
Current liabilities & Provision	10,542	19,387	28,813	40,934	52,728
Net current assets	3,093	3,213	6,559	9,507	15,571
Misc. exp	0	0	0	0	0
Total Assets	6,428	9,070	12,307	16,445	22,893

Cash Flow

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
PBT (Ex-Other income) (NI+Dep)	1,516	2,154	4,185	6,547	8,760
Other Non-Cash items	0	0	0	0	0
Chg in working cap	388	(402)	(2,991)	(2,721)	(2,516)
Operating Cashflow	2,373	559	3,038	3,674	5,625
Capital expenditure	(1,103)	(2,007)	(1,524)	(2,055)	(1,375)
Free Cash Flow	1,271	(1,448)	1,514	1,619	4,250
Investments	76	(953)	953	0	0
Other Investing Cash Flow	(18)	1,360	(1,360)	0	0
Investing Cashflow	(993)	(1,583)	(1,817)	(1,982)	(1,286)
Equity Capital Raised	2	1	(1)	0	0
Loans Taken / (Repaid)	(546)	646	500	(700)	0
Dividend paid (incl tax)	(83)	(59)	(58)	(116)	(174)
Other Financing Cash Flow	552	1,348	(223)	636	895
Financing Cashflow	(424)	1,663	(226)	(469)	432
Net chg in cash	957	638	996	1,223	4,771
Opening cash position	144	957	638	996	1,223
Closing cash position	957	638	996	1,223	4,771

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY20	FY21	FY22E	FY23E	FY24E
EBITDA Margin	5.1	4.4	4.3	4.3	4.3
EBIT Margin	4.2	3.8	3.7	3.8	3.9
Effective Tax Rate	23.1	26.3	25.2	25.2	25.2
Net Margin	2.7	2.5	2.6	2.8	2.8
ROCE	32.6	31.5	44.4	48.1	46.5
ROE	26.2	25.0	36.8	39.5	36.4
RoIC	36.2	40.0	51.5	51.9	54.6

Per Share Data (Rs)	FY20	FY21	FY22E	FY23E	FY24E
EPS	20.6	27.3	54.9	84.6	113.1
CEPS	26.8	34.8	66.6	99.4	130.0
BVPS	92.5	125.9	172.7	255.4	365.5
DPS	1.2	1.0	1.0	2.0	3.0

Valuations (x)	FY20	FY21	FY22E	FY23E	FY24E
PER	194.0	146.3	72.7	47.2	35.3
P/CEPS	148.9	114.9	60.0	40.2	30.7
P/BV	43.2	31.7	23.1	15.6	10.9
EV / Sales	5.3	3.6	1.9	1.3	1.0
EV / EBITDA	104.8	81.6	44.2	30.4	22.9
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.1

Gearing Ratio (x)	FY20	FY21	FY22E	FY23E	FY24E
Net Debt/ Equity	0.0	0.0	0.1	0.0	(0.2)
Net Debt/EBIDTA	0.0	0.0	0.2	0.0	(0.3)
Working Cap Cycle (days)	17.7	14.6	16.3	16.8	16.9

Growth (%)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	47.4	46.5	93.4	44.4	29.7
EBITDA	65.4	28.5	85.2	45.1	30.4
EBIT	64.8	30.2	90.5	47.7	32.4
PAT	90.2	32.7	101.3	54.0	33.7

Quarterly (Rs mn)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21
Revenue	8,574	5,169	16,387	21,828	21,097
EBITDA	559	169	894	1,005	798
EBITDA Margin (%)	6.5	3.3	5.5	4.6	3.8
PAT	276	16	524	616	443
EPS (Rs)	4.7	0.3	8.9	10.5	7.6

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-20	Sep-20	Dec-20	Mar-21	Mar-21
Promoters	36.1	36.0	35.1	35.0	35.0
FIIIs	12.3	16.2	20.3	19.8	20.6
DIIs	21.9	17.5	15.2	11.0	11.9
Public and Others	29.7	30.2	29.4	34.1	32.5

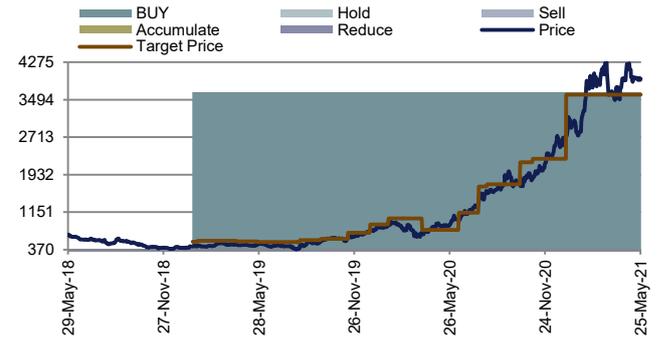
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
03-Jan-21	2,724	3,600	12m	Buy	Naval Seth
31-Oct-20	1,860	2,262	12m	Buy	Naval Seth
07-Oct-20	1,743	2,187	12m	Buy	Naval Seth
05-Aug-20	1,574	1,733	12m	Buy	Naval Seth
20-Jul-20	1,366	1,684	12m	Buy	Naval Seth
12-Jun-20	995	1,141	12m	Buy	Naval Seth
07-Apr-20	751	782	12m	Buy	Naval Seth
03-Apr-20	686	782	12m	Buy	Naval Seth
16-Mar-20	776	1,022	12m	Buy	Naval Seth
05-Mar-20	819	1,022	12m	Buy	Naval Seth
13-Feb-20	937	1,022	12m	Buy	Naval Seth
30-Jan-20	899	1,022	12m	Buy	Naval Seth
26-Dec-19	782	895	12m	Buy	Naval Seth
28-Nov-19	667	721	12m	Buy	Naval Seth
19-Nov-19	646	721	12m	Buy	Naval Seth
14-Nov-19	652	721	12m	Buy	Naval Seth
23-Sep-19	575	593	12m	Buy	Naval Seth
11-Sep-19	520	567	12m	Buy	Naval Seth
14-Aug-19	470	567	12m	Buy	Naval Seth
13-Jun-19	451	527	12m	Buy	Naval Seth
25-May-19	484	527	12m	Buy	Naval Seth
20-May-19	468	544	12m	Buy	Naval Seth
23-Apr-19	463	544	12m	Buy	Naval Seth
15-Apr-19	470	544	12m	Buy	Naval Seth
08-Apr-19	476	555	12m	Buy	Naval Seth
14-Mar-19	506	555	12m	Buy	Naval Seth
31-Jan-19	453	555	12m	Buy	Naval Seth
21-Jan-19	435	537	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

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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	0.87	0.86	-2%	-1	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	0.21	0.22	4%	1	25.20
Dixon Technologies	0.00	0.01	NA	0	1.08
Havells India	0.29	0.28	-3%	-1	32.00
KEI Industries	0.00	0.00	NA	0	0.00
Polycab India	0.03	0.04	5%	0	4.16
V-Guard Industries	0.00	0.00	NA	0	0.00
Voltas	0.26	0.26	-1%	0	29.50
Whirlpool Of India	0.08	0.06	-30%	-2	6.36
Cash	0.00	0.01	NA	1	1.70

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	29-May-20	25-Nov-20	24-Feb-21	26-Apr-21	26-May-21
EAP - Consumer Durables	100.0	84.3	125.8	166.9	154.5	157.6
BSE200 Neutral Weighted Portfolio (ETF)	100.0	78.7	115.9	152.8	141.2	145.6

*Performance measurement base date 1st April 2019

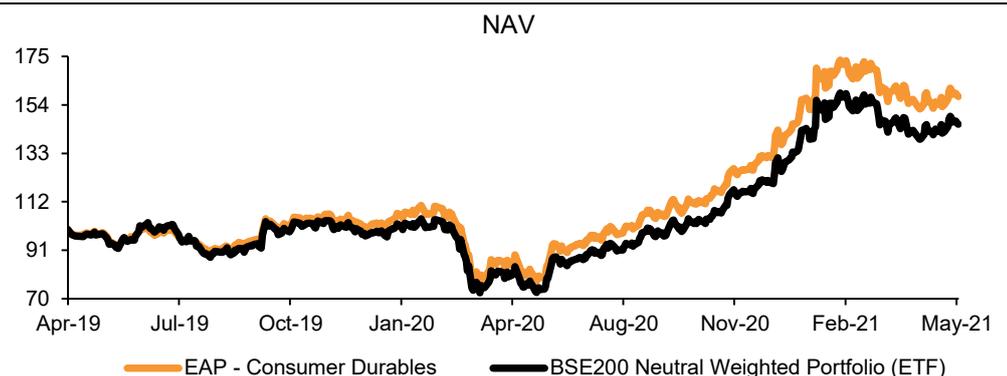
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Consumer Durables	2.0%	-5.5%	25.3%	87.0%
BSE200 Neutral Weighted Portfolio (ETF)	3.1%	-4.7%	25.6%	84.9%

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: 28 May 2021 08:20:06 (SGT)

Dissemination Date: 28 May 2021 08:21:06 (SGT)

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