

# Devyani International

Refer to important disclosures at the end of this report

## Q3 performance strengthens confidence in execution

- Q3 performance was strong but largely in line. EBITDA grew 67% on a low base, led by 33% store count growth, 24% growth in rev/store and a 40bps margin improvement. Core brands, KFC/PH, saw ~64% rev growth on ~40% store count growth and a low ADS base.
- Healthy store additions continued, with 75/81 additions in Core brands/overall. DIL is now targeting the upper band of FY22 guided additions of 200-250, with 192 additions in 9M. DIL expects 200-250 annual additions beyond FY22, aided by correction in store metrics.
- Despite inflation, brand margins improved ~60/100bps QoQ for KFC/PH, helped by price hikes taken by KFC, better mix with more on-premise sales, and operating leverage. Going ahead, DIL expects PH format and operating leverage to drive gradual margin gains.
- With the turnaround in profitability, DIL has earned the right to emerge as a QSR growth leader. It should see an industry-leading EBITDA CAGR of ~37% in FY22-25E, led by 21% store count CAGR, 7% SSG and gradual margin gains. Maintain Buy with a TP of Rs210.

**Healthy store additions to continue:** PH/KFC revenues grew ~64% on a low base, led by ~40% growth in store count and ~24% SSG. While the base was low, ADS also improved sequentially by 7%/4% for KFC/PH, driven by better operating conditions, price hikes in KFC and strong traction in menu innovations in PH (Momomia/Cheesy-Momos; HSD contribution to ADS). DIL is targeting millennials through its 'Dil khol ke delivery' campaign and expects strong traction to continue with improving customer experience (low delivery time), as it goes deeper with healthy store additions. DIL added 30/40 net stores for KFC/PH in Q3 and 75/94 in 9M, taking the total store count to 339/391. DIL is now targeting the upper band of its guided 200-250 additions for FY22, and expects 200-250 annual additions to continue beyond FY22, aided by an improvement in store metrics and a large India opportunity/gap vs. Domino's.

**PH format to drive gradual margin gains:** Despite inflation and healthy store additions, brand margins improved ~60/100bps QoQ to ~23%/17% for KFC/PH. The margin improvement was led by price hikes in KFC, better mix in favor of high-margin on-premise sales and operating leverage (Rs124K/47K ADS vs. 116K/45K for KFC/PH in Q2). Going ahead, DIL sees gradual margin gains of ~50bps, driven by PH format and operating leverage.

**Emerging QSR growth leader (IC Report):** With the turnaround in profitability, DIL has earned the right to grow faster than in the past. DIL should deliver an industry-leading EBITDA CAGR of ~37% over FY22-25E, led by a 21% store count CAGR, 7% SSG and gradual margin gains. A gradual improvement in ADS and brand margins should also help improve RoICs sharply from ~20% in FY22E to ~40% in FY25E. We maintain our Buy rating on DIL with a TP of Rs210 (42x FY24E EV/EBITDA).

Please see our sector model portfolio (Emkay Alpha Portfolio): [Consumer Goods & Retail \(Page 8\)](#)

### Financial Snapshot (Consolidated)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	15,164	11,348	21,378	29,433	37,596
EBITDA	2,555	2,269	4,901	6,906	9,140
EBITDA Margin (%)	16.8	20.0	22.9	23.5	24.3
APAT	(1,136)	(1,304)	1,442	2,778	3,701
EPS (Rs)	(1.1)	(1.1)	1.2	2.3	3.1
EPS (% chg)	0.0	0.0	0.0	92.6	33.2
ROE (%)	87.6	346.3	36.1	33.7	32.2
P/E (x)	(166.9)	(157.9)	148.9	77.3	58.0
EV/EBITDA (x)	81.3	96.5	45.8	32.3	24.2
P/BV (x)	(100.2)	181.0	31.3	22.3	16.1

Source: Company, Emkay Research

CMP	Target Price
Rs 179 as of (February 5, 2022)	Rs 210 (■) 12 months
Rating	Upside
BUY (■)	17.6 %

### Change in Estimates

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

### Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	1.2	2.3
Consensus	0.8	1.7
Mean Consensus TP (12M)	Rs 184	

### Stock Details

Bloomberg Code	DEVYANI IN
Face Value (Rs)	1
Shares outstanding (mn)	1,203
52 Week H/L	199 / 108
M Cap (Rs bn/USD bn)	215 / 2.87
Daily Avg Volume (nos.)	79,02,602
Daily Avg Turnover (US\$ mn)	17.8

### Shareholding Pattern Dec '21

Promoters	62.9%
FII's	7.8%
DII's	4.9%
Public and Others	24.4%

### Price Performance

(%)	1M	3M	6M	12M
Absolute	4	22	-	-
Rel. to Nifty	5	25	-	-

### Relative price chart



Source: Bloomberg

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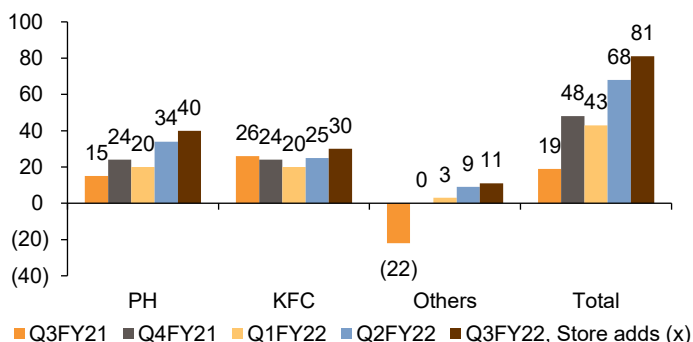
## Story in Charts

Exhibit 1: Performance across key metrics over the last few quarters

Key Metrics (Rs mn)	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
<b>KFC India</b>						
Number of stores (x)	214	240	264	284	309	339
ADS ('000)	68,517	1,12,237	1,18,498	92,136	1,16,380	1,24,000
Revenue	1,251	2,211	2,540	2,029	3,014	3,621
Gross margin (%)	65.9	67.1	69.6	69.4	69.1	69.3
Brand contribution margin (%)	12.9	19.1	22.6	16.0	22.4	23.0
<b>PH India</b>						
Number of stores (x)	258	273	297	317	351	391
ADS ('000)	26,456	40,464	41,788	38,441	45,090	47,000
Revenue	630	951	1,036	965	1,333	1,556
Gross margin (%)	71.6	74.0	76.2	75.9	75.5	75.6
Brand contribution margin (%)	10.3	16.2	15.2	14.1	15.8	16.8
<b>Costa Coffee</b>						
Number of stores (x)	55	45	44	44	45	50
ADS ('000)	12,255	20,706	24,592	16,060	27,390	37,000
Revenue	40	76	85	37	94	143
Gross margin (%)	75.0	76.3	80.0	78.4	79.8	79.7
Brand contribution margin (%)	-30.0	35.5	30.6	16.2	33.0	32.2
<b>India - others</b>						
Revenue	115	202	285	86	220	365
Brand contribution margin (%)	13.0	-11.9	16.5	-91.9	21.4	27.7
<b>International [Nepal, Nigeria]</b>						
Revenue	263	351	385	411	500	559
Brand contribution margin (%)	3.4	16.8	23.9	17.3	20.4	22.4
<b>DIL - Consolidated</b>						
Number of stores (x)	625	644	692	735	803	884
Store additions (x)		19	48	43	68	81
Revenue	2,299	3,791	4,331	3,528	5,161	6,244
Gross margin (%)	67.8	68.7	71.4	71.2	71.0	71.4
Brand contribution margin (%)	10.4	16.9	20.7	13.0	20.7	21.9
Overhead opex/revenue (%)	6.4	4.7	5.3	7.4	5.3	5.4
Consol. EBITDA	93	459	668	198	791	1,026
EBITDA margin (%)	4.0	12.1	15.4	5.6	15.3	16.4

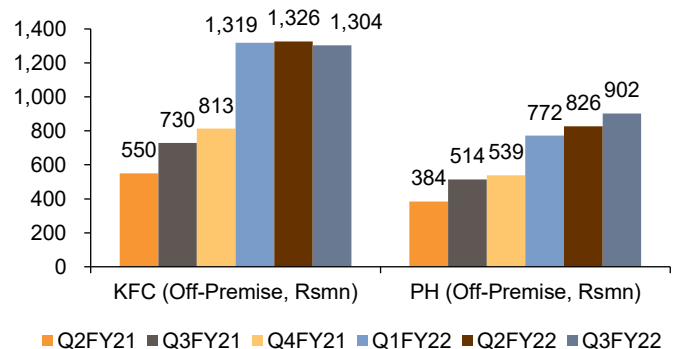
Source: Company, Emkay Research

Exhibit 2: DIL added 81 stores in Q3FY22, with 40/30 stores in PH/KFC and 11 in other formats



Source: Company, Emkay Research

Exhibit 3: Convenience sales sustained across both KFC/PH, despite strong pick-up in dine-in channel



Source: Company, Emkay Research

**Exhibit 4: Quarterly performance (consolidated)**

Y/E, Mar (Rs mn)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	YoY (%)	QoQ (%)	FY21TD	FY22TD	YoY (%)
Revenue	927	2,299	3,791	4,331	3,528	5,161	6,244	64.7	21.0	7,017	14,933	112.8
Expenditure	1,381	2,060	2,877	3,164	2,959	3,880	4,766	65.6	22.8	6,318	11,605	83.7
Consumption of RM	278	741	1,188	1,240	1,016	1,497	1,787	50.5	19.4	2,207	4,300	94.9
as % of sales	29.9%	32.2%	31.3%	28.6%	28.8%	29.0%	28.6%			31.4%	28.8%	
Employee Cost-Store	280	347	424	492	537	594	728	71.6	22.5	1,051	1,859	76.9
as % of sales	30.2%	15.1%	11.2%	11.4%	15.2%	11.5%	11.7%			15.0%	12.4%	
Other expenditure	823	972	1,265	1,432	1,406	1,789	2,251	77.9	25.8	3,060	5,445	77.9
as % of sales	88.7%	42.3%	33.4%	33.1%	39.8%	34.7%	36.0%			43.6%	36.5%	
EBITDA	-453	239	914	1,167	569	1,281	1,478	61.8	15.4	699	3,328	376.0
Depreciation	580	658	514	533	482	526	558	8.5	5.9	1,752	1,566	-10.6
EBIT	-1,033	-419	400	634	87	755	920	130.3	21.9	-1,052	1,762	-267.5
Other Income	471	260	53	-144	47	52	39	-27.1	-24.7	785	137	-82.5
Interest	312	422	493	268	324	328	296	-39.8	-9.6	1,227	948	-22.7
PBT	-874	-581	-40	222	-190	479	663	-1772.0	38.5	-1,494	951	-163.7
Total Tax	-21	8	2	0	0	6	9	295.4	62.4	-11	15	
Adjusted PAT	-853	-589	-42	222	-190	473	654	-1655.4	38.2	-1,484	937	-163.1
Extra ordinary items	-116	-83	431	410	-144	-7	6			232	-144	
Reported PAT before MI	-968	-672	389	632	-334	466	660	69.6	41.5	-1,252	792	-163.3
Minority Interest	-31	-5	-49	7	-45	9	29			-85	-8	
Reported PAT	-937	-667	438	625	-288	457	631	44.1	38.0	-1,167	800	-168.6
Reported EPS (Rs)	-0.9	-0.6	0.3	0.6	-0.3	0.4	0.5	57.1	41.6	-1.1	0.6	-157.6
Margins (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	(bps)	(bps)	FY21TD	FY22TD	(bps)
EBIDTA	-48.9	10.4	24.1	26.9	16.1	24.8	23.7	-40	-120	10.0	22.3	1,230
EBIT	-111.4	-18.2	10.5	14.6	2.5	14.6	14.7	420	10	-15.0	11.8	2,680
EBT	-94.2	-25.3	-1.0	5.1	-5.4	9.3	10.6	1,170	130	-21.3	6.4	2,770
PAT	-101.1	-29.0	11.6	14.4	-8.2	8.9	10.1	-140	120	-16.6	5.4	2,200
Effective Tax rate	2.4	-1.4	-6.0	-0.1	0.2	1.2	1.4	740	20	0.7	1.6	90

Source: Company, Emkay Research

**Exhibit 5: Peer Comparison**

Companies	Price (Rs)	Mcap (Rs bn)	Reco	Target Price (Rs)	EPS (Rs)			P/E (x)			EV / EBITDA (x)		
					FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
ABFRL	295	277	Buy	400	-1.1	5.5	8.0	NA	53.7	36.8	26.7	13.6	10.9
Jubilant FoodWorks	3,208	423	Hold	3,600	35.3	47.9	60.0	91.0	67.0	53.5	36.7	29.5	24.6
Page Industries	41,651	465	Buy	48,600	443.0	655.8	777.6	94.0	63.5	53.6	63.4	44.1	37.3
Titan Company	2,471	2,194	Buy	2,900	26.4	39.5	48.4	93.5	62.6	51.1	59.7	40.9	33.3
Westlife Development	497	77	Buy	700	-0.1	5.7	8.0	NA	87.8	62.1	41.2	23.8	19.1
TCNS Clothing	754	46	Buy	1,050	3.4	18.2	27.5	220.3	41.4	27.5	34.9	14.4	10.3
<b>Devyani International</b>	<b>179</b>	<b>215</b>	<b>Buy</b>	<b>210</b>	<b>1.2</b>	<b>2.3</b>	<b>3.1</b>	<b>148.9</b>	<b>77.3</b>	<b>58.0</b>	<b>45.8</b>	<b>32.3</b>	<b>24.2</b>

Source: Company, Emkay Research

**Exhibit 6: DIL: Growth construct of the business from supply-side**

Particulars	FY20	Sep-21	FY25E	FY35E	CAGR (%)	CAGR (%)
					FY25-35E	FY35+
KFC Stores (DIL)	172	309	630	1,466	8.8	2.5
PH Stores (DIL)	269	351	670	1,400	7.6	2.5
Others (DIL)	169	87	239	489	7.4	2.5
<b>Total DIL stores (No)</b>	<b>610</b>	<b>747</b>	<b>1,539</b>	<b>3,355</b>	<b>8.1</b>	<b>2.5</b>
SSG, %					6.8	5.0
<b>DIL Revenues (Rs bn)</b>	<b>15</b>	<b>9</b>	<b>47</b>	<b>196</b>	<b>15.4</b>	<b>7.6</b>
EBITDA margins, %	3.8	11.4	16.0	19.3		
<b>DIL EBITDA</b>	<b>0.6</b>	<b>1.0</b>	<b>7.5</b>	<b>38</b>	<b>17.6</b>	<b>7.6</b>
Depreciation (% of EBITDA)	160.6		26.5	10.0		
<b>DIL EBIT</b>	<b>-0</b>		<b>5.5</b>	<b>34</b>	<b>20.0</b>	<b>7.6</b>
<b>EBIT margins, %</b>	<b>(2.3)</b>		<b>11.9</b>	<b>17.4</b>		

Source: Emkay Research

**Exhibit 7: DIL: Target EV/EBITDA multiple derived from a two-stage dividend growth model**

<b>Particulars (Rs bn)</b>	
Revenue CAGR [FY22E-25E] (%)	30
EBITDA CAGR [FY22E-25E] (%)	37
Net debt-to-EV (%)	-1
<b>Stage-1: FY25E-35E</b>	
EBITDA in Yr-0 [FY25E]	7.5
EBITDA in Yr-1	8.9
<b>EBITDA CAGR (%)</b>	<b>20.0</b>
<b>Years of growth [n]</b>	<b>10.0</b>
<b>Incremental RoIC (%)</b>	<b>125.0</b>
<b>WACC (%)</b>	<b>12.0</b>
Tax rate (%)	25.2
Sustainable D&A-to-EBITDA (%)	10.0
Net debt to EV (%)	-1
Implied FCFF ratio (%)	84
Revenues in FY35E	289
<b>Terminal stage: &gt;FY35E</b>	
<b>Terminal EBITDA growth (%)</b>	<b>7.5</b>
Incremental RoIC (%)	125.0
Implied FCFF ratio (%)	94.0
Fair value EV/EBITDA in Mar'25E (x)	32.1
EV in Mar'25E	287
Mar'23E NPV of FCFFs	7.2
Mar'23E EV	236
Adj. net debt	(2.3)
Fair value of Equity in Mar'23E (x)	239
FY24E EBITDA	5.9
<b>Implied fair value EV/EBITDA in Mar'23E (x)</b>	<b>40.0</b>
Premium applied to FV (%) [a]	5.0
<b>Target EV/EBITDA in Mar'23E (x)</b>	<b>42.0</b>
<b>Target market-cap in Mar'23E</b>	<b>251</b>
Shares o/s (mn)	1,203
<b>Target price in Mar'23E (Rs/share)</b>	<b>210</b>

Source: Emkay Research, [a] EBITDA growth is likely to be front-loaded than assumed

**Key Financials (Consolidated)****Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>Revenue</b>	<b>15,164</b>	<b>11,348</b>	<b>21,378</b>	<b>29,433</b>	<b>37,596</b>
<b>Expenditure</b>	<b>12,609</b>	<b>9,079</b>	<b>16,477</b>	<b>22,527</b>	<b>28,455</b>
<b>EBITDA</b>	<b>2,555</b>	<b>2,269</b>	<b>4,901</b>	<b>6,906</b>	<b>9,140</b>
Depreciation	2,272	2,775	2,211	2,553	2,900
<b>EBIT</b>	<b>283</b>	<b>(505)</b>	<b>2,690</b>	<b>4,353</b>	<b>6,241</b>
Other Income	187	641	150	54	83
Interest expenses	1,584	1,528	1,378	1,320	1,375
<b>PBT</b>	<b>(1,115)</b>	<b>(1,393)</b>	<b>1,462</b>	<b>3,087</b>	<b>4,948</b>
Tax	18	(11)	0	309	1,247
Extraordinary Items	(81)	752	(150)	0	0
Minority Int./Income from Assoc.	3	(78)	20	0	0
<b>Reported Net Income</b>	<b>(1,217)</b>	<b>(552)</b>	<b>1,292</b>	<b>2,778</b>	<b>3,701</b>
<b>Adjusted PAT</b>	<b>(1,136)</b>	<b>(1,304)</b>	<b>1,442</b>	<b>2,778</b>	<b>3,701</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	1,062	1,154	1,203	1,203	1,203
Reserves & surplus	(2,953)	(16)	5,648	8,426	12,127
<b>Net worth</b>	<b>(1,891)</b>	<b>1,138</b>	<b>6,850</b>	<b>9,628</b>	<b>13,329</b>
<b>Minority Interest</b>	<b>(391)</b>	<b>(419)</b>	<b>(419)</b>	<b>(419)</b>	<b>(419)</b>
<b>Loan Funds</b>	<b>18,323</b>	<b>13,358</b>	<b>11,253</b>	<b>10,632</b>	<b>10,786</b>
Net deferred tax liability	179	228	323	422	523
<b>Total Liabilities</b>	<b>16,220</b>	<b>14,304</b>	<b>18,006</b>	<b>20,263</b>	<b>24,219</b>
<b>Net block</b>	<b>15,939</b>	<b>13,467</b>	<b>16,121</b>	<b>18,426</b>	<b>20,447</b>
<b>Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Assets</b>	<b>2,761</b>	<b>3,075</b>	<b>5,667</b>	<b>6,936</b>	<b>10,325</b>
Cash & bank balance	160	405	1,391	2,017	4,351
Other Current Assets	0	0	0	0	0
<b>Current liabilities &amp; Provision</b>	<b>2,616</b>	<b>2,380</b>	<b>3,924</b>	<b>5,241</b>	<b>6,695</b>
<b>Net current assets</b>	<b>145</b>	<b>695</b>	<b>1,742</b>	<b>1,694</b>	<b>3,630</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>16,220</b>	<b>14,304</b>	<b>18,006</b>	<b>20,263</b>	<b>24,219</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>(1,382)</b>	<b>(1,281)</b>	<b>1,162</b>	<b>3,033</b>	<b>4,865</b>
Other Non-Cash items	0	0	0	0	0
Chg in working cap	490	(251)	33	773	499
<b>Operating Cashflow</b>	<b>2,946</b>	<b>2,781</b>	<b>4,784</b>	<b>7,370</b>	<b>8,393</b>
Capital expenditure	(1,143)	(2,281)	(2,866)	(2,858)	(2,920)
<b>Free Cash Flow</b>	<b>1,803</b>	<b>500</b>	<b>1,918</b>	<b>4,512</b>	<b>5,473</b>
Investments	0	0	0	0	0
Other Investing Cash Flow	0	0	0	0	0
<b>Investing Cashflow</b>	<b>(956)</b>	<b>(1,640)</b>	<b>(2,716)</b>	<b>(2,804)</b>	<b>(2,838)</b>
Equity Capital Raised	0	3,586	4,400	0	0
Loans Taken / (Repaid)	581	(812)	(3,240)	(1,393)	0
Dividend paid (incl tax)	0	0	0	0	0
Other Financing Cash Flow	(2,221)	(3,170)	(2,001)	(2,478)	(3,221)
<b>Financing Cashflow</b>	<b>(2,100)</b>	<b>(896)</b>	<b>(1,082)</b>	<b>(3,941)</b>	<b>(3,221)</b>
<b>Net chg in cash</b>	<b>(110)</b>	<b>245</b>	<b>986</b>	<b>626</b>	<b>2,334</b>
Opening cash position	271	160	405	1,391	2,017
<b>Closing cash position</b>	<b>160</b>	<b>405</b>	<b>1,391</b>	<b>2,017</b>	<b>4,351</b>

Source: Company, Emkay Research

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**Key Ratios**

<b>Profitability (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EBITDA Margin	16.8	20.0	22.9	23.5	24.3
EBIT Margin	1.9	(4.5)	12.6	14.8	16.6
Effective Tax Rate	(1.7)	0.8	0.0	10.0	25.2
Net Margin	(7.5)	(12.2)	6.8	9.4	9.8
ROCE	2.9	0.9	17.6	23.0	28.4
ROE	87.6	346.3	36.1	33.7	32.2
RoIC	1.8	(3.4)	17.8	25.2	33.0

<b>Per Share Data (Rs)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EPS	(1.1)	(1.1)	1.2	2.3	3.1
CEPS	1.1	1.3	3.0	4.4	5.5
BVPS	(1.8)	1.0	5.7	8.0	11.1
DPS	0.0	0.0	0.0	0.0	0.0

<b>Valuations (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
PER	(166.9)	(157.9)	148.9	77.3	58.0
P/CEPS	166.9	140.1	58.8	40.3	32.5
P/BV	(100.2)	181.0	31.3	22.3	16.1
EV / Sales	13.7	19.3	10.5	7.6	5.9
EV / EBITDA	81.3	96.5	45.8	32.3	24.2
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

<b>Gearing Ratio (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Net Debt/ Equity	(9.6)	11.4	1.4	0.9	0.5
Net Debt/EBIDTA	7.1	5.7	2.0	1.2	0.7
Working Cap Cycle (days)	(0.4)	9.3	6.0	(4.0)	(7.0)

<b>Growth (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Revenue	15.7	(25.2)	88.4	37.7	27.7
EBITDA	(8.4)	(11.2)	116.0	40.9	32.4
EBIT	(44.9)	(278.6)	0.0	61.8	43.4
PAT	0.0	0.0	0.0	115.0	33.2

<b>Quarterly (Rs mn)</b>	<b>Q3FY21</b>	<b>Q4FY21</b>	<b>Q1FY22</b>	<b>Q2FY22</b>	<b>Q3FY22</b>
Revenue	3,791	4,331	3,528	5,161	6,244
EBITDA	883	1,184	616	1,233	1,478
<b>EBITDA Margin (%)</b>	<b>23.3</b>	<b>27.3</b>	<b>17.5</b>	<b>23.9</b>	<b>23.7</b>
PAT	438	614	(288)	457	631
<b>EPS (Rs)</b>	<b>0.4</b>	<b>0.5</b>	<b>(0.2)</b>	<b>0.4</b>	<b>0.5</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Aug-21</b>	<b>Sep-21</b>	<b>Dec-21</b>
Promoters	62.9	62.9	62.9
FIs	7.3	7.9	7.8
DIs	6.7	4.8	4.9
Public and Others	23.1	24.4	24.4

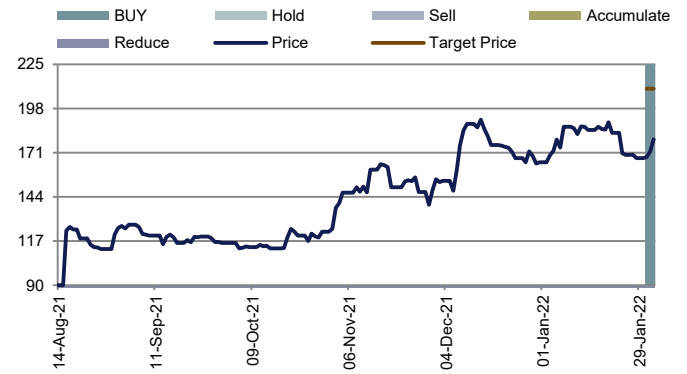
Source: Capitaline

**RECOMMENDATION HISTORY TABLE**

Date	Closing Price	TP	Period (months)	Rating	Analyst
31-Jan-22	168	210	12m	Buy	Ashit Desai

Source: Company, Emkay Research

**RECOMMENDATION HISTORY CHART**



Source: Bloomberg, Company, Emkay Research



## Emkay Alpha Portfolio – Consumer Goods & Retail



**Analyst: Ashit Desai**

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**Sector**

Consumer Goods & Retail

**Analyst bio**

Ashit Desai holds a PGDM and FRM (US GARP) with 13 years of research experience on the sell side. His team currently covers 24 stocks in the Indian Consumer and Retail space.

**EAP sector portfolio**

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight based on Current NAV	Change vs last published EAP (bps)
<b>Consumer Goods &amp; Retail</b>	<b>10.03</b>	<b>10.03</b>	<b>0%</b>	<b>0</b>	<b>100.00</b>	
Asian Paints	1.41	0.69	-51%	-71	6.92	0
Berger Paints	0.17	0.00	-100%	-17	0.00	0
Britannia Industries	0.41	0.50	21%	9	4.96	0
Colgate-Palmolive	0.19	0.20	6%	1	2.02	0
Dabur India	0.32	0.33	6%	2	3.33	0
Emami	0.10	0.09	-5%	-1	0.94	0
Godrej Consumer Products	0.34	0.30	-11%	-4	3.02	0
Hindustan Unilever	2.00	1.26	-37%	-74	12.57	0
ITC	2.00	2.00	0%	0	19.93	0
Marico	0.25	0.30	17%	4	2.95	0
Nestle India	0.64	0.29	-55%	-35	2.87	0
Pidilite Industries	0.37	0.00	-100%	-37	0.00	0
Radico Khaitan	0.00	0.23	NA	23	2.30	0
United Breweries	0.11	0.46	317%	35	4.63	0
United Spirits	0.00	0.33	NA	33	3.28	0
Varun Beverages	0.14	0.24	73%	10	2.34	0
ABFRL	0.10	0.17	79%	8	1.74	0
Devyani International	0.00	0.21	NA	21	2.11	0
Jubilant FoodWorks	0.24	0.24	1%	0	2.41	0
Page Industries	0.24	0.53	125%	29	5.28	0
Titan Company	1.01	1.21	20%	21	12.09	0
TCNS Clothing	0.00	0.22	NA	22	2.17	0
Westlife Development	0.00	0.21	NA	21	2.13	0
<b>Cash</b>	<b>0.00</b>	<b>0.00</b>	<b>NA</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

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	3-Feb-21	3-Aug-21	3-Nov-21	3-Jan-22	3-Feb-22
EAP - Consumer Goods & Retail	100.0	119.6	135.2	147.5	147.2	146.3
BSE200 Neutral Weighted Portfolio (ETF)	100.0	114.2	127.7	134.2	135.1	133.3

\*Performance measurement base date 1<sup>st</sup> April 2019

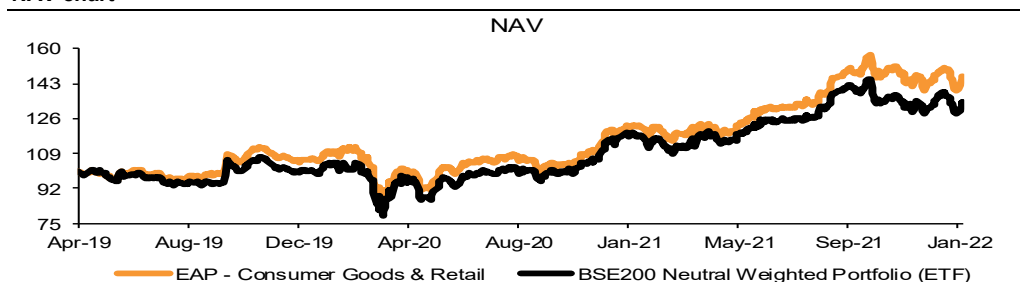
Source: Emkay Research

**Price Performance (%)**

	1m	3m	6m	12m
EAP - Consumer Goods & Retail	-0.6%	-0.8%	8.2%	22.3%
BSE200 Neutral Weighted Portfolio (ETF)	-1.3%	-0.6%	4.4%	16.8%

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”

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## 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: 06 Feb 2022 00:27:31 (SGT)

Dissemination Date: 06 Feb 2022 00:28:31 (SGT)

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