

### Robust performance continues; Maintain Buy

- Q3 results, ahead of estimates (Exhibit 1), saw strong performance of RAC continuing with 43% volume growth, double digit EBIT margins and continuing leadership with market share at 26%. Overall PAT could have been better but for the mix in projects business which also saw time-based provisions
- The board has approved restructuring of its business into B2C and B2B. We view this as a long term positive when it happens as it gets a sharper focus on the durables business
- The AC under penetration story remains strong. Voltas continues to leverage its brand name, market share and distribution network in expanding market share while maintaining profitability. It is aided by its product and regional mix. We maintain Buy with a TP of Rs1260, valuing it at 50xSep22E.

### Robust RAC performance continues

Sales for Q3FY21 came in higher by 34% YoY at Rs20bn. Unitary cooling sales grew 40% YoY at Rs8.4bn with RAC, commercial refrigerators and air coolers volumes growing at 43%, 100% and 11% respectively. Company retained no.1 position in ACs with market share YTD FY21 currently at ~26%(~22% in inverter ACs). EBITDA at Rs1.5bn up 50% YoY despite lower GM by 402bps to 24.6% and staff cost reduced by 386bps to 7.8% of sales and down 11% YoY, margins came in slightly better by 78bps YoY at 7.3%; unitary cooling EBIT was up 72% YoY at Rs1bn with margins up by 235bps to 12.5%. The project business saw revenues rise by 26% YoY at Rs10bn due to increased execution in Q3, though margins were down most due to time-based provisions. Carry forward order book was higher at Rs73bn as compared to Rs70bn in Q3FY20. PAT for Q3FY21 was Rs1.3bn, higher by 46% YoY; due to better topline and cost rationalization.

### Q3FY21 Result (Rs Mn)

| Particulars       | Q3FY21 | Q3FY20 | YoY (%) | Q2FY21 | QoQ (%) |
|-------------------|--------|--------|---------|--------|---------|
| Revenue           | 19,946 | 14,925 | 33.6    | 16,125 | 23.7    |
| Total Expense     | 18,488 | 13,950 | 32.5    | 15,146 | 22.1    |
| EBITDA            | 1,459  | 975    | 49.6    | 980    | 48.9    |
| Depreciation      | 84     | 80     | 4.9     | 84     | 0.2     |
| EBIT              | 1,375  | 895    | 53.6    | 896    | 53.4    |
| Other Income      | 516    | 543    | (4.8)   | 383    | 34.9    |
| Interest          | 32     | 57     | (44.2)  | 58     | (44.9)  |
| EBT               | 1,859  | 1,380  | 34.7    | 1,221  | 52.3    |
| Tax               | 372    | 314    | 18.6    | 353    | 5.3     |
| RPAT              | 1,286  | 879    | 46.3    | 797    | 61.5    |
| APAT              | 1,286  | 879    | 46.3    | 797    | 61.5    |
|                   |        |        | (bps)   |        | (bps)   |
| Gross Margin (%)  | 24.6   | 28.6   | (402)   | 26.0   | (145)   |
| EBITDA Margin (%) | 7.3    | 6.5    | 78      | 6.1    | 124     |
| NPM (%)           | 6.4    | 5.9    | 56      | 4.9    | 151     |
| Tax Rate (%)      | 20.0   | 22.7   | (272)   | 28.9   | (894)   |
| EBIT Margin (%)   | 6.9    | 6.0    | 90      | 5.6    | 134     |

|                 |                |
|-----------------|----------------|
| CMP             | Rs 1,058       |
| Target / Upside | Rs 1,260 / 19% |
| NIFTY           | 15,315         |

### Scrip Details

|                   |                 |    |     |
|-------------------|-----------------|----|-----|
| Equity / FV       | Rs 331mn / Rs 1 |    |     |
| Market Cap        | Rs 350bn        |    |     |
|                   | USD 5bn         |    |     |
| 52-week High/Low  | Rs 1,132/ 427   |    |     |
| Avg. Volume (no)  | 2,172,980       |    |     |
| Bloom Code        | VOLT IN         |    |     |
| Price Performance | 1M              | 3M | 12M |
| Absolute (%)      | 19              | 39 | 54  |
| Rel to NIFTY (%)  | 13              | 19 | 27  |

### Shareholding Pattern

|                 | Jun'20 | Sep'20 | Dec'20 |
|-----------------|--------|--------|--------|
| Promoters       | 30.3   | 30.3   | 30.3   |
| MF/Banks/FIs    | 10.7   | 12.4   | 10.6   |
| FIIIs           | 39.3   | 39.2   | 40.4   |
| Public / Others | 18.0   | 18.0   | 17.5   |

### Valuation (x)

|           | FY21E | FY22E | FY23E |
|-----------|-------|-------|-------|
| P/E       | 68.5  | 47.3  | 38.0  |
| EV/EBITDA | 63.6  | 42.7  | 34.2  |
| ROE (%)   | 12.1  | 16.7  | 18.4  |
| RoACE (%) | 12.1  | 16.7  | 18.3  |

### Estimates (Rs mn)

|           | FY21E  | FY22E  | FY23E   |
|-----------|--------|--------|---------|
| Revenue   | 70,540 | 85,444 | 104,671 |
| EBITDA    | 5,361  | 7,946  | 9,839   |
| PAT       | 5,113  | 7,411  | 9,220   |
| EPS (Rs.) | 15.4   | 22.4   | 27.9    |

**VP - Research: Vinod Chari**

Tel: +91 22 40969776

E-mail: vinodc@dolatcapital.com

**Associate: Pranav Lala**

Tel: +9122 40969722

E-mail: pranavl@dolatcapital.com

### Reinforces market leadership; industry looking at a good summer.

Voltas continued to remain a market leader with a 26% market share, which though down 80bps QoQ, is still formidable. It continues to expand its distribution and currently has 19000 touchpoints over the country with 6000 Beko touchpoints. Voltas and Voltas Beko have doubled their EBO to 190 from 95 in the previous year. Inventory in the system fully normal and industry expects a strong summer season ahead. They have taken a price increase of 5-6% across products for higher input costs. Voltas is in a good position to take advantage of this and we expect it to continue to remain the leader in the industry.

### Restructuring to help improve focus on ACs

Voltas' board has approved the transfer of its domestic Projects business and its engineering products business to its wholly owned subsidiary and expects the process to be completed by September 21. While 14% of the business(FY20) will shift to subsidiary, there will be a cash consideration of Rs10-12bn. This is long term positive when it happens as it gets a sharper focus on the durables business. This will also increase transparency as the consumer business numbers can be separated better and can lead to better valuations.

### Play on AC penetration. Maintain Buy

As industry focus shifts to next season, which is the summer of 2021, Voltas remains the pick for playing the AC penetration theme. Apart from its leadership and brand, it also has a strong debt free balance sheet and we estimate it has improved on its cash of Rs19bn(FY20). We maintain Buy with a TP of Rs1260, valuing it at 50xSep22E.

#### Exhibit 1: Actual v/s DART estimates

| (Rs Mn)            | Actual | DART    | Consensus | DART    | Consensus | Comment                                   |
|--------------------|--------|---------|-----------|---------|-----------|-------------------------------------------|
|                    | Q3FY21 | Q3FY21E | Q3FY21E   | Var (%) | Var (%)   |                                           |
| Sales              | 19,946 | 15,216  | 16,551    | 31.1    | 20.5      | Sales was better than estimates           |
| EBITDA             | 1,459  | 1,065   | 1,156     | 37.0    | 26.2      | EBITDA led by better top line             |
| EBITDA margins (%) | 7.3    | 7.0     | 7.0       | 31 bps  | 33 bps    |                                           |
| PAT                | 1,286  | 976     | 1,000     | 31.8    | 28.6      | Higher sales and EBITDA led to higher PAT |
| Pat margins        | 6.4    | 6.4     | 6.0       | 3 bps   | 41 bps    |                                           |
| EPS (Rs)           | 3.9    | 2.9     | 3.0       | 31.8    | 28.6      |                                           |

Source: Company, DART

#### Exhibit 2: Change in Our Estimates

| (Rs Mn)           | FY21E |          |          | FY22E |          |          | FY23E |          |          |
|-------------------|-------|----------|----------|-------|----------|----------|-------|----------|----------|
|                   | New   | Previous | % Cng    | New   | Previous | % Cng    | New   | Previous | % Cng    |
| Sales             | 65172 | 70540    | 8.2      | 78621 | 85444    | 8.7      | 96397 | 104671   | 8.6      |
| EBITDA            | 5214  | 5361     | 2.8      | 7469  | 7947     | 6.4      | 8676  | 9839     | 13.4     |
| EBITDA Margin (%) | 8.0   | 7.6      | (40) bps | 9.5   | 9.3      | (20) bps | 9.0   | 9.4      | (40) bps |
| PAT               | 5114  | 5113     | 0.0      | 7298  | 7412     | 1.6      | 8666  | 9220     | 6.4      |
| EPS (Rs)          | 15.5  | 15.4     | 0.0      | 22.0  | 22.4     | 1.6      | 26.2  | 27.9     | 6.4      |

Source: Company, DART

**Exhibit 3: Quarterly Performance**

| Particulars (Rs mn)                 | Q3FY21 | Q3FY20  | YoY(%)  | Q2FY21 | QoQ(%) | YTDFY21 | YTDFY20 | YoY(%)  |
|-------------------------------------|--------|---------|---------|--------|--------|---------|---------|---------|
| Net Revenue                         | 19,946 | 14,925  | 33.6    | 16,125 | 23.7   | 55,684  | 49,041  | (11.9)  |
| Cost of materials consumed          | 9,089  | 7,746   | 17.3    | 8,018  | 13.4   | 24,451  | 21,002  | (14.1)  |
| Purchase of Stock in trade          | 5,721  | 4,541   | 26.0    | 3,228  | 77.2   | 15,293  | 12,684  | (17.1)  |
| Changes in Inventories, WIP & SIP   | 231    | (1,632) | (114.2) | 680    | (66.0) | 893     | 2,364   | 164.8   |
| Total Raw Material Cost             | 15,041 | 10,655  | 41.2    | 11,926 | 26.1   | 40,637  | 36,050  | (11.3)  |
| Staff Expenditure                   | 1,547  | 1,734   | (10.7)  | 1,432  | 8.0    | 4,942   | 4,554   | (7.8)   |
| Other Expenses                      | 1,899  | 1,561   | 21.6    | 1,787  | 6.2    | 5,160   | 5,332   | 3.3     |
| EBITDA                              | 1,459  | 975     | 49.6    | 980    | 48.9   | 4,946   | 3,106   | (37.2)  |
| Depreciation                        | 84     | 80      | 4.9     | 84     | 0.2    | 238     | 250     | 5.3     |
| EBIT                                | 1,375  | 895     | 53.6    | 896    | 53.4   | 4,708   | 2,856   | (39.3)  |
| Other Income                        | 516    | 543     | (4.8)   | 383    | 34.9   | 1,701   | 1,573   | (7.6)   |
| Interest                            | 32     | 57      | (44.2)  | 58     | (44.9) | 151     | 157     | 4.5     |
| Profit/(Loss) from Associates & JVs | (201)  | (187)   | 7.1     | (71)   | 184.1  | (492)   | (388)   | (21.2)  |
| Exceptional items                   | 0      | 0       |         | 0      |        | (492)   | 0       | (100.0) |
| PBT                                 | 1658   | 1193    | 39.0    | 1150   | 44.2   | 5275    | 3884    | (26.4)  |
| Tax                                 | 372    | 314     | 18.6    | 353    | 5.3    | 1660    | 983     | (40.8)  |
| Minority Interest                   | 0      | 0       |         | 0      |        | 0       | 0       |         |
| Net Profit                          | 1,286  | 879     | 46.3    | 797    | 61.5   | 3,615   | 2,901   | (19.8)  |
| Reported EPS                        | 3.9    | 2.7     | 46.3    | 2.4    | 61.5   | 10.9    | 8.8     | (19.8)  |

Source: Company, DART

**Exhibit 4: Operating Cost as a % of sales**

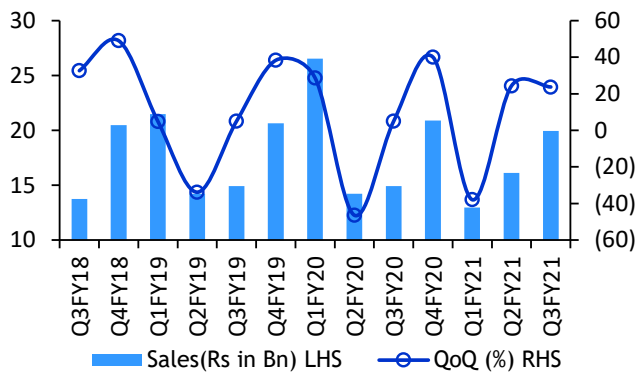
| Operating Cost as a % of Sales | Q3FY21 | Q3FY20 | BPS   | Q2FY21 | BPS   | YTDFY21 | YTDFY20 | BPS   |
|--------------------------------|--------|--------|-------|--------|-------|---------|---------|-------|
| Raw Material Cost              | 75.4   | 71.4   | 402   | 74.0   | 145   | 73.0    | 73.5    | 53    |
| Staff Cost                     | 7.8    | 11.6   | (386) | 8.9    | (112) | 8.9     | 9.3     | 41    |
| Other Expenses                 | 9.5    | 10.5   | (94)  | 11.1   | (156) | 9.3     | 10.9    | 161   |
| <b>Margins (%)</b>             |        |        |       |        |       |         |         |       |
| Gross Margins                  | 24.6   | 28.6   | (402) | 26.0   | (145) | 27.0    | 26.5    | (53)  |
| EBITDA                         | 7.3    | 6.5    | 78    | 6.1    | 124   | 8.9     | 6.3     | (255) |
| EBIT                           | 6.9    | 6.0    | 90    | 5.6    | 134   | 8.5     | 5.8     | (263) |
| PBT                            | 8.3    | 8.0    | 32    | 7.1    | 118   | 9.5     | 7.9     | (155) |
| NPM                            | 6.4    | 5.9    | 56    | 4.9    | 151   | 6.5     | 5.9     | (58)  |

Source: Company, DART

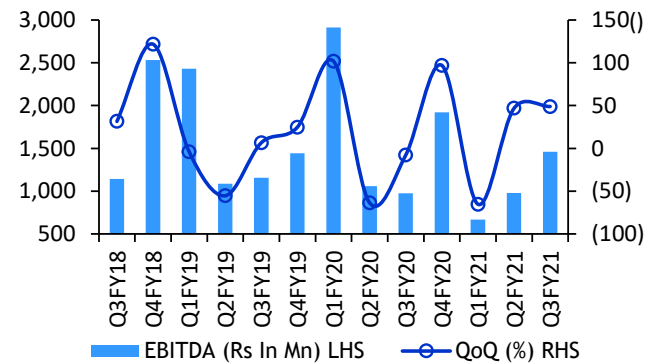
**Exhibit 5: Segment Performance**

| Segmental                                               | Q3FY21       | Q3FY20       | YoY(%)      | Q2FY21       | QoQ(%)      | YTD FY21     | YTD FY20     | YoY(%)        |
|---------------------------------------------------------|--------------|--------------|-------------|--------------|-------------|--------------|--------------|---------------|
| <b>Revenue*</b>                                         |              |              |             |              |             |              |              |               |
| Electro mechanical projects                             | 10167        | 8081         | 25.8        | 9278         | 9.6         | 24416        | 24626        | 0.9           |
| Engineering products and services                       | 1209         | 826          | 46.4        | 933          | 29.6        | 2369         | 2618         | 10.5          |
| Unitary Cooling Products and Comfort and commercial use | 8396         | 6005         | 39.8        | 5717         | 46.9        | 28748        | 21184        | (26.3)        |
| Less: Inter segmental Revenue                           | 68           | 42           | 62.6        | 52           | 30.6        | 45           | 140          | 210.2         |
| <b>Total</b>                                            | <b>19704</b> | <b>14870</b> | <b>32.5</b> | <b>15876</b> | <b>24.1</b> | <b>55487</b> | <b>48287</b> | <b>(13.0)</b> |
| <b>EBIT</b>                                             |              |              |             |              |             |              |              |               |
| Electro mechanical projects                             | 322          | 374          | (13.9)      | 230          | 40.2        | 1591         | 159          | (90.0)        |
| Engineering products and services                       | 320          | 231          | 38.7        | 288          | 11.3        | 723          | 805          | 11.3          |
| Unitary Cooling Products and Comfort and commercial use | 1046         | 607          | 72.3        | 631          | 65.7        | 3367         | 2772         | (17.7)        |
| <b>EBIT Margin (%)</b>                                  |              |              |             |              |             |              |              |               |
| Electro mechanical projects                             | 3.2          | 4.6          | (146.1)     | 2.5          | 69          | 6.5          | 0.6          | (586.9)       |
| Engineering products and services                       | 26.5         | 28.0         | (146.7)     | 30.9         | (437)       | 30.5         | 30.8         | 21.4          |
| Unitary Cooling Products and Comfort and commercial use | 12.5         | 10.1         | 234.7       | 11.0         | 141         | 11.7         | 13.1         | 137.4         |
| <b>Segment Capital employed</b>                         |              |              |             |              |             |              |              |               |
| Electro mechanical projects                             | 11,482       | 12,132       | (5.4)       | 12,103       | (5.1)       | 12,132       | 11,482       | (5.4)         |
| Engineering products and services                       | 554          | 851          | (34.9)      | 612          | (9.5)       | 851          | 554          | (34.9)        |
| Unitary Cooling Products and Comfort and commercial use | 6,891        | 3,068        | 124.6       | 9,238        | (25.4)      | 3,068        | 6,891        | 124.6         |
| Un allocable                                            | 26,845       | 25,934       | 3.5         | 22,257       | 20.6        | 25,934       | 26,845       | 3.5           |

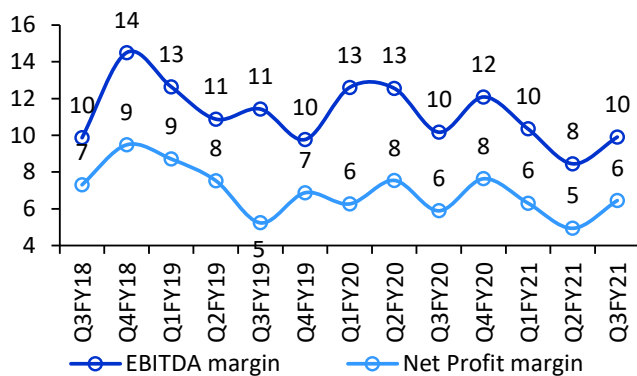
Source: Company, DART

**Exhibit 6: Sales and QoQ growth (%)**


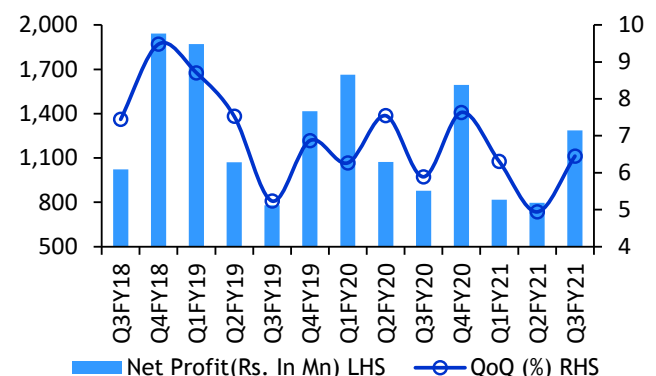
Source: Company, DART

**Exhibit 7: EBITDA and QoQ growth (%)**


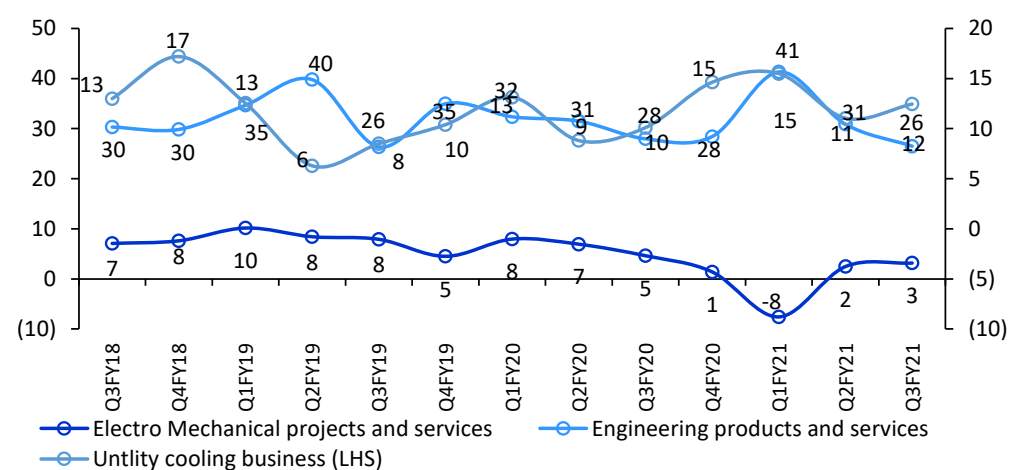
Source: Company, DART

**Exhibit 8: Trend in margin (%)**


Source: Company, DART

**Exhibit 9: Net Profit and QoQ growth (%)**


Source: Company, DART

**Exhibit 10: Segmental EBIT margin (%)**


Source: Company, DART

### Profit and Loss Account

| (Rs Mn)                                | FY20A         | FY21E         | FY22E         | FY23E          |
|----------------------------------------|---------------|---------------|---------------|----------------|
| <b>Revenue</b>                         | <b>76,581</b> | <b>70,540</b> | <b>85,444</b> | <b>104,671</b> |
| <b>Total Expense</b>                   | <b>69,714</b> | <b>65,179</b> | <b>77,498</b> | <b>94,832</b>  |
| COGS                                   | 55,549        | 51,142        | 62,374        | 76,933         |
| Employees Cost                         | 6,717         | 7,195         | 7,861         | 8,478          |
| Other expenses                         | 7,448         | 6,842         | 7,263         | 9,420          |
| <b>EBIDTA</b>                          | <b>6,867</b>  | <b>5,361</b>  | <b>7,946</b>  | <b>9,839</b>   |
| Depreciation                           | 320           | 330           | 361           | 387            |
| <b>EBIT</b>                            | <b>6,547</b>  | <b>5,031</b>  | <b>7,585</b>  | <b>9,452</b>   |
| Interest                               | 211           | 238           | 267           | 299            |
| Other Income                           | 2,306         | 2,116         | 2,563         | 3,140          |
| Exc. / E.O. items                      | (512)         | 0             | 0             | 0              |
| <b>EBT</b>                             | <b>8,130</b>  | <b>6,909</b>  | <b>9,882</b>  | <b>12,293</b>  |
| Tax                                    | 2,233         | 1,796         | 2,470         | 3,073          |
| RPAT                                   | 5,211         | 5,113         | 7,411         | 9,220          |
| Minority Interest                      | 687           | 0             | 0             | 0              |
| <b>Profit/Loss share of associates</b> | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>       |
| <b>APAT</b>                            | <b>5,211</b>  | <b>5,113</b>  | <b>7,411</b>  | <b>9,220</b>   |

### Balance Sheet

| (Rs Mn)                       | FY20A         | FY21E         | FY22E         | FY23E         |
|-------------------------------|---------------|---------------|---------------|---------------|
| <b>Sources of Funds</b>       |               |               |               |               |
| Equity Capital                | 331           | 331           | 331           | 331           |
| Minority Interest             | 365           | 365           | 365           | 365           |
| Reserves & Surplus            | 42,471        | 41,658        | 46,406        | 52,964        |
| <b>Net Worth</b>              | <b>42,802</b> | <b>41,988</b> | <b>46,737</b> | <b>53,294</b> |
| Total Debt                    | 2,179         | 1,834         | 2,222         | 2,721         |
| Net Deferred Tax Liability    | (715)         | (715)         | (715)         | (715)         |
| <b>Total Capital Employed</b> | <b>44,631</b> | <b>43,473</b> | <b>48,609</b> | <b>55,666</b> |

### Applications of Funds

|                                                   |               |               |               |               |
|---------------------------------------------------|---------------|---------------|---------------|---------------|
| Net Block                                         | 3,804         | 3,361         | 3,470         | 3,553         |
| CWIP                                              | 263           | 263           | 263           | 263           |
| Investments                                       | 18,229        | 18,729        | 19,229        | 19,729        |
| <b>Current Assets, Loans &amp; Advances</b>       | <b>58,536</b> | <b>55,341</b> | <b>64,292</b> | <b>76,657</b> |
| Inventories                                       | 14,689        | 11,808        | 12,231        | 14,453        |
| Receivables                                       | 18,273        | 17,393        | 20,366        | 23,515        |
| Cash and Bank Balances                            | 3,084         | 1,620         | 131           | (801)         |
| Loans and Advances                                | 23            | 143           | 173           | 212           |
| Other Current Assets                              | 17,264        | 15,173        | 18,186        | 22,073        |
| <b>Less: Current Liabilities &amp; Provisions</b> | <b>36,201</b> | <b>34,221</b> | <b>38,644</b> | <b>44,536</b> |
| Payables                                          | 26,889        | 23,572        | 27,602        | 33,776        |
| Other Current Liabilities                         | 9,312         | 10,649        | 11,042        | 10,760        |
| <i>sub total</i>                                  |               |               |               |               |
| Net Current Assets                                | 22,335        | 21,120        | 25,648        | 32,122        |
| <b>Total Assets</b>                               | <b>44,631</b> | <b>43,473</b> | <b>48,609</b> | <b>55,666</b> |

E – Estimates

### Important Ratios

| Particulars                               | FY20A   | FY21E   | FY22E   | FY23E   |
|-------------------------------------------|---------|---------|---------|---------|
| <b>(A) Margins (%)</b>                    |         |         |         |         |
| Gross Profit Margin                       | 27.5    | 27.5    | 27.0    | 26.5    |
| EBIDTA Margin                             | 9.0     | 7.6     | 9.3     | 9.4     |
| EBIT Margin                               | 8.5     | 7.1     | 8.9     | 9.0     |
| Tax rate                                  | 27.5    | 26.0    | 25.0    | 25.0    |
| Net Profit Margin                         | 6.8     | 7.2     | 8.7     | 8.8     |
| <b>(B) As Percentage of Net Sales (%)</b> |         |         |         |         |
| COGS                                      | 72.5    | 72.5    | 73.0    | 73.5    |
| Employee                                  | 8.8     | 10.2    | 9.2     | 8.1     |
| Other                                     | 9.7     | 9.7     | 8.5     | 9.0     |
| <b>(C) Measure of Financial Status</b>    |         |         |         |         |
| Gross Debt / Equity                       | 0.1     | 0.0     | 0.0     | 0.1     |
| Interest Coverage                         | 31.0    | 21.1    | 28.5    | 31.6    |
| Inventory days                            | 70      | 61      | 52      | 50      |
| Debtors days                              | 87      | 90      | 87      | 82      |
| Average Cost of Debt                      | 7.9     | 11.9    | 13.1    | 12.1    |
| Payable days                              | 128     | 122     | 118     | 118     |
| Working Capital days                      | 106     | 109     | 110     | 112     |
| FA T/O                                    | 20.1    | 21.0    | 24.6    | 29.5    |
| <b>(D) Measures of Investment</b>         |         |         |         |         |
| AEPS (Rs)                                 | 15.7    | 15.4    | 22.4    | 27.9    |
| CEPS (Rs)                                 | 16.7    | 16.4    | 23.5    | 29.0    |
| DPS (Rs)                                  | 5.7     | 6.9     | 8.0     | 8.0     |
| Dividend Payout (%)                       | 36.5    | 44.6    | 35.9    | 28.9    |
| BVPS (Rs)                                 | 129.3   | 126.9   | 141.2   | 161.0   |
| RoANW (%)                                 | 12.4    | 12.1    | 16.7    | 18.4    |
| RoACE (%)                                 | 15.0    | 12.1    | 16.7    | 18.3    |
| RoAIC (%)                                 | 16.0    | 12.1    | 16.8    | 18.0    |
| <b>(E) Valuation Ratios</b>               |         |         |         |         |
| CMP (Rs)                                  | 1058    | 1058    | 1058    | 1058    |
| P/E                                       | 67.2    | 68.5    | 47.3    | 38.0    |
| Mcap (Rs Mn)                              | 350,198 | 350,198 | 350,198 | 350,198 |
| MCap/ Sales                               | 4.6     | 5.0     | 4.1     | 3.3     |
| EV                                        | 344,089 | 341,209 | 339,085 | 336,516 |
| EV/Sales                                  | 4.5     | 4.8     | 4.0     | 3.2     |
| EV/EBITDA                                 | 50.1    | 63.6    | 42.7    | 34.2    |
| P/BV                                      | 8.2     | 8.3     | 7.5     | 6.6     |
| Dividend Yield (%)                        | 0.5     | 0.7     | 0.8     | 0.8     |
| <b>(F) Growth Rate (%)</b>                |         |         |         |         |
| Revenue                                   | 7.5     | (7.9)   | 21.1    | 22.5    |
| EBITDA                                    | 12.3    | (21.9)  | 48.2    | 23.8    |
| EBIT                                      | 11.4    | (23.2)  | 50.8    | 24.6    |
| PBT                                       | 11.5    | (15.0)  | 43.0    | 24.4    |
| APAT                                      | 1.4     | (1.9)   | 45.0    | 24.4    |
| EPS                                       | 1.4     | (1.9)   | 45.0    | 24.4    |

### Cash Flow

| (Rs Mn)      | FY20A   | FY21E   | FY22E   | FY23E   |
|--------------|---------|---------|---------|---------|
| CFO          | 5,971   | 10,895  | 7,512   | 7,432   |
| CFI          | (374)   | (4,386) | (4,970) | (4,970) |
| CFF          | (3,081) | (2,865) | (2,542) | (2,462) |
| FCFF         | 5,172   | 11,009  | 7,042   | 6,962   |
| Opening Cash | 3,211   | 3,084   | 1,620   | 131     |
| Closing Cash | 3,084   | 1,620   | 131     | (801)   |

E – Estimates

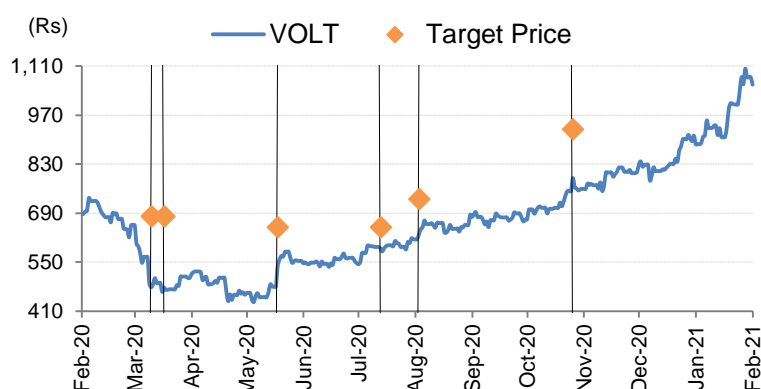


### DART RATING MATRIX

Total Return Expectation (12 Months)

|            |           |
|------------|-----------|
| Buy        | > 20%     |
| Accumulate | 10 to 20% |
| Reduce     | 0 to 10%  |
| Sell       | < 0%      |

### Rating and Target Price History



| Month  | Rating | TP (Rs.) | Price (Rs.) |
|--------|--------|----------|-------------|
| Mar-20 | Buy    | 680      | 478         |
| Mar-20 | Buy    | 680      | 477         |
| Jun-20 | Buy    | 650      | 540         |
| Jul-20 | Buy    | 650      | 590         |
| Aug-20 | Buy    | 730      | 629         |
| Nov-20 | Buy    | 930      | 791         |

\*Price as on recommendation date

### DART Team

|             |                   |                         |                 |
|-------------|-------------------|-------------------------|-----------------|
| Purvag Shah | Managing Director | purvag@dolatcapital.com | +9122 4096 9747 |
|-------------|-------------------|-------------------------|-----------------|

|                   |                  |                       |                 |
|-------------------|------------------|-----------------------|-----------------|
| Amit Khurana, CFA | Head of Equities | amit@dolatcapital.com | +9122 4096 9745 |
|-------------------|------------------|-----------------------|-----------------|

#### CONTACT DETAILS

| Equity Sales     | Designation                                  | E-mail                        | Direct Lines    |
|------------------|----------------------------------------------|-------------------------------|-----------------|
| Dinesh Bajaj     | VP - Equity Sales                            | dineshb@dolatcapital.com      | +9122 4096 9709 |
| Kapil Yadav      | VP - Equity Sales                            | kapil@dolatcapital.com        | +9122 4096 9735 |
| Yomika Agarwal   | VP - Equity Sales                            | yomika@dolatcapital.com       | +9122 4096 9772 |
| Jubbin Shah      | VP - Derivatives Sales                       | jubbins@dolatcapital.com      | +9122 4096 9779 |
| Ashwani Kandoi   | AVP - Equity Sales                           | ashwanik@dolatcapital.com     | +9122 4096 9725 |
| Lekha Nahar      | AVP - Equity Sales                           | lekhan@dolatcapital.com       | +9122 4096 9740 |
| Equity Trading   | Designation                                  | E-mail                        |                 |
| P. Sridhar       | SVP and Head of Sales Trading                | sridhar@dolatcapital.com      | +9122 4096 9728 |
| Chandrakant Ware | VP - Sales Trading                           | chandrakant@dolatcapital.com  | +9122 4096 9707 |
| Shirish Thakkar  | VP - Head Domestic Derivatives Sales Trading | shirisht@dolatcapital.com     | +9122 4096 9702 |
| Kartik Mehta     | Asia Head Derivatives                        | kartikm@dolatcapital.com      | +9122 4096 9715 |
| Dinesh Mehta     | Co- Head Asia Derivatives                    | dinesh.mehta@dolatcapital.com | +9122 4096 9765 |
| Bhavin Mehta     | VP - Derivatives Strategist                  | bhavinm@dolatcapital.com      | +9122 4096 9705 |

**Dolat Capital Market Private Limited.**

Sunshine Tower, 28th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400013



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**I. Analyst(s) and Associate (S) holding in the Stock(s): (Nil)**

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SEBI Registration No: BSE - INZ000274132, NSE - INZ000274132, Research: INH0000000685

Registered office: Office No. 141, Centre Point, Somnath, Daman – 396 210, Daman & Diu

Board: +9122 40969700 | Fax: +9122 22651278 | Email: [research@dolatcapital.com](mailto:research@dolatcapital.com) | [www.dolatresearch.com](http://www.dolatresearch.com)

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