

Consumer Durables & EMS

Decoding Q1FY25 trends

Q1FY25 performance snapshot

In Q1FY25, the consumer durables aggregate revenue grew by 21% YoY (+16% 2-yr CAGR). The growth was driven by the summer portfolio (room AC, air coolers, fans) which benefited from a harsh summer season. White goods/ ECD segments' revenues grew by 41%/17% YoY (+19%/+12% 2-yr CAGR). Ex of summer portfolio, demand continued to see gradual improvement on improving macro environment and softening inflation. W&C growth moderated (+9% YoY; +18% 2-yr CAGR), impacted by copper price volatility. Lighting/kitchen segments were weak at +5%/flat YoY growth. Aggregate EBIT grew by 36% YoY (+27% 2-yr CAGR) but it was largely driven by white goods/ECD which grew 183%/26% YoY (+59%/3% 2-yr CAGR). Within EMS, benefitting from industry tailwinds, EMS players sustained their accelerated growth momentum with revenues growing 75% YoY (+40% 2-yr CAGR) while EBITDA grew 60% YoY (+47% 2-yr CAGR).

Key segmental takeaways from the earnings season

- Demand for summer portfolio (RAC, air cooler, fans, and stabilizers) outstripped supply, leading to inventory stockouts in many markets. Consequently, channel inventory remains at comfortable levels which shall aid primary sales in the coming months.
- Within the room AC segment, competitive intensity continues to remain high, which will likely keep margins under check in the near to medium term.
- W&C growth moderated as sharp correction in copper prices towards the second half of the quarter led to sharp inventory destocking in June. Exports were impacted by delays in shipments and container shortage.
- Ex of fans, demand for ECD products continued to see gradual improvement.
- Within lighting, while B2C portfolio continues to see price erosion, the rate of price erosion has been decelerating. With the election now over, B2B orders have started to come back.
- Kitchen appliances segment continued to witness demand pangs during the quarter. However, softness appears to be bottoming and there are early green shoots visible in rural recovery which bodes well for upcoming festive season.
- Margins expanded across most consumer durable categories (excl W&C and kitchen appliances).

Outperformers/underperformers on LTM basis

Category	Category	Outperformer	LTM		
			Co gr %	Underperformer	Co gr %
White Goods	23	Blue Star (UCP)	39	Eureka Forbes	8
Wires & Cables	15	Polycab	19	Finolex	8
ECD	10	Finolex (FMEG)	29	Bajaj Electricals (CP)	-4
Lighting & Fixtures	1	Orient	7	Bajaj Electricals	-4
Kitchen Appliances	1	Stove Kraft	6	Butterfly	-13
EMS	45	Dixon	67	Avalon	-15

Valuation and outlook

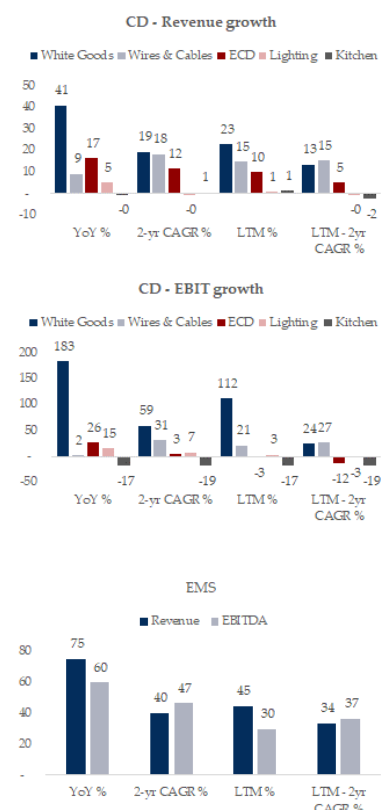
Having underperformed the NIFTY Midcap Index in the past three years on weak earnings, most consumer durable names have fared well over the past six months led by (1) improving macro-economic environment; (2) softening RM inflation; and (3) intense summer season aiding demand for cooling products. We remain constructive on the sector over the medium-long term on (1) runway for growth, given GDP multiplier benefits and under penetration across most categories; (2) resilient housing/home improvement theme; (3) rising consumer aspiration backed premiumization trend; and (4) product basket diversification opportunities. **We rate Bajaj Electricals, Orient Electric and Crompton Consumer as our top picks in the Consumer Durables space while preferring Amber and Syrma within EMS.**

HSIE Universe

Companies	CMP* (INR)	TP (INR)	Rating
Consumer Durables			
Bajaj Electricals	959	1,200	BUY
Crompton Consumer	453	500	BUY
Havells	1,881	1,900	ADD
Orient Electric	266	310	BUY
Symphony	1,716	1,300	REDUCE
TTK Prestige	948	765	REDUCE
V-Guard	484	410	REDUCE
Voltas	1,608	1,600	ADD
EMS			
Amber Enterprises	4,189	5,150	BUY
Dixon Technologies	12,784	11,000	REDUCE
Kaynes Technology	5,251	4,000	REDUCE
Syrma SGS	424	580	BUY

* CMP as on 19th August 2024

Segment Wise Performance



Paarth Gala

paarth.gala@hdfcsec.com

+91-22-6171-7336

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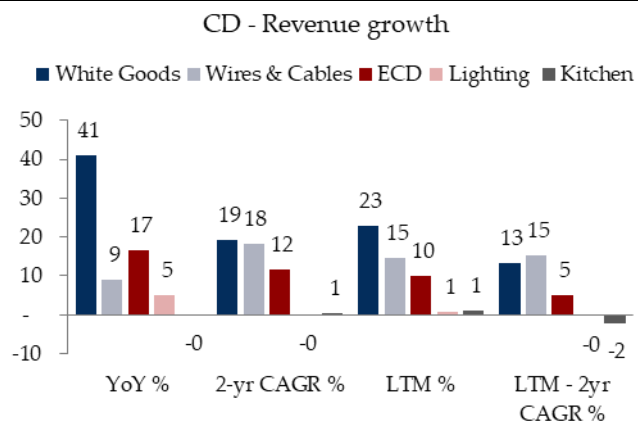
Performance Snapshot: Q1FY25

Exhibit 1: Consumer Durables & EMS performance snapshot: Q1FY25

Company	Revenue gr % (YoY)								EBITDA gr % (YoY)								PBT gr % (YoY)								PAT gr % (YoY)											
	FY24				FY25				FY24				FY25				FY24				FY25				FY24				FY25							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
FMEG																																				
Bajaj Electricals	-1	-4	-6	-8	4	-4	5	-23	-45	-47	-2	-31	-13	-38	-42	-70	-28	-46	-17	-37	-42	-45	-25	-38												
Crompton Consumer	1	5	12	9	14	10	-16	-10	-2	-4	25	2	-14	-11	-2	-1	31	4	-7	-23	1	5	28	3												
Finolex Cables	19	9	6	14	2	8	27	55	-6	10	-17	6	42	16	2	13	-10	6	38	21	-5	1	-7	2												
Havells	14	6	7	12	20	12	11	30	2	20	43	23	17	33	2	23	45	25	19	33	1	24	43	25												
Hawkins	3	-9	6	9	12	4	-13	10	3	43	14	18	-10	14	9	50	20	24	-10	14	9	50	20	23												
KEI	14	21	15	19	16	18	10	27	18	21	22	22	16	31	17	23	24	23	17	31	17	22	24	23												
Orient Electric	14	11	2	20	7	9	15	78	-11	-34	-9	-10	5	3,508	-25	-59	-28	-32	4	na	-25	-48	-27	-33												
Polycab	42	27	17	29	21	24	76	42	13	25	6	21	79	55	13	25	1	21	82	59	15	28	-1	23												
RR Kabel	29	18	10	16	13	14	183	88	-4	15	-16	12	298	113	3	20	-13	19	310	112	-1	21	-13	17												
Stove Kraft	8	-7	11	17	6	6	11	-13	18	321	32	25	5	-35	-2	na	-1	-5	1	-36	-13	na	0	-5												
TTK Prestige	-7	-13	6	2	0	-2	-24	-32	6	-4	-10	-12	-12	-30	6	-5	-14	-13	-10	-29	9	-1	-13	-11												
V-Guard	19	15	19	18	22	18	28	26	54	32	49	40	20	31	44	40	54	43	20	35	48	44	54	46												
White Goods																																				
Blue Star	13	20	25	27	29	26	18	43	48	35	64	47	12	65	67	-32	99	18	12	67	72	63	103	77												
Eureka Forbes	-4	3	14	9	10	8	10	596	11	1	11	37	32	na	202	-21	21	189	28	na	235	4	26	219												
IFB Industries	2	-2	16	8	17	10	0	1	120	61	135	62	55	3	na	na	1,013	303	94	22	na	na	994	481												
Johnson Controls Hitachi	-44	-9	-42	41	76	21	na	na	na	248	na	na	na	na	1,366	na	na	na	na	na	na	na	na	na	na											
Symphony	-8	0	-11	8	76	19	-24	11	-	148	327	95	-16	-	4	152	250	80	-10	6	5	200	238	86												
Voltas	21	30	31	42	46	39	5	-30	-63	-13	129	23	22	-21	-33	-12	106	22	19	-63	na	-19	159	14												
Whirlpool of India	-3	-6	19	3	24	10	-15	-28	105	34	93	44	-25	-37	35	63	128	59	-20	-37	37	51	115	52												
EMS																																				
Amber Enterprises	-7	24	-4	-7	41	9	33	62	-0	9	49	23	6	30	-99	-4	76	8	9	na	na	-9	59	-1												
Avalon	20	-18	-8	-20	-15	-15	-17	-61	-18	-58	-73	-54	-28	-58	16	-67	na	-63	-24	-51	15	-69	na	-63												
Cyient DLM	28	72	50	30	19	40	73	-0	43	19	0	15	-18	94	239	78	103	114	-15	106	221	81	98	116												
Dixon Technologies	15	28	100	52	101	67	32	37	66	17	88	49	40	45	77	15	98	55	51	39	86	18	94	55												
Elin Electronics	-14	-12	17	3	16	4	-12	-69	-36	40	35	-30	29	-75	-35	125	63	-37	21	-77	-42	121	57	-41												
Kaynes Technology	49	32	76	75	70	64	64	13	70	60	66	53	137	36	95	90	101	83	145	54	98	97	106	91												
PG Electroplast	26	37	16	30	95	47	81	40	13	54	99	59	106	64	49	85	139	97	106	73	40	73	148	95												
Syrma SGS	54	52	38	67	93	64	10	4	-16	28	21	10	73	-8	-40	-10	-29	-21	83	5	-53	-17	-32	-25												

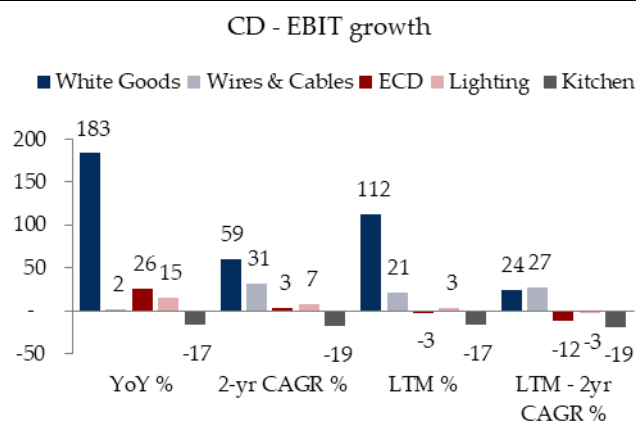
Source: Company; HSIE Research

Exhibit 2: White goods/ECD outperform in revenue..



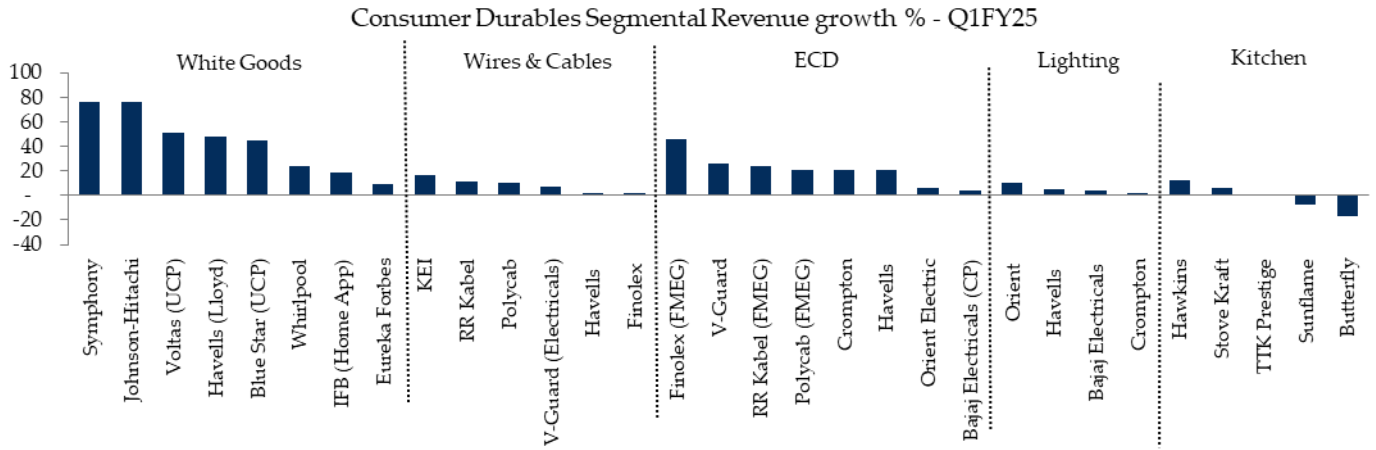
Source: Company, HSIE Research

Exhibit 3: ...as well as profitability



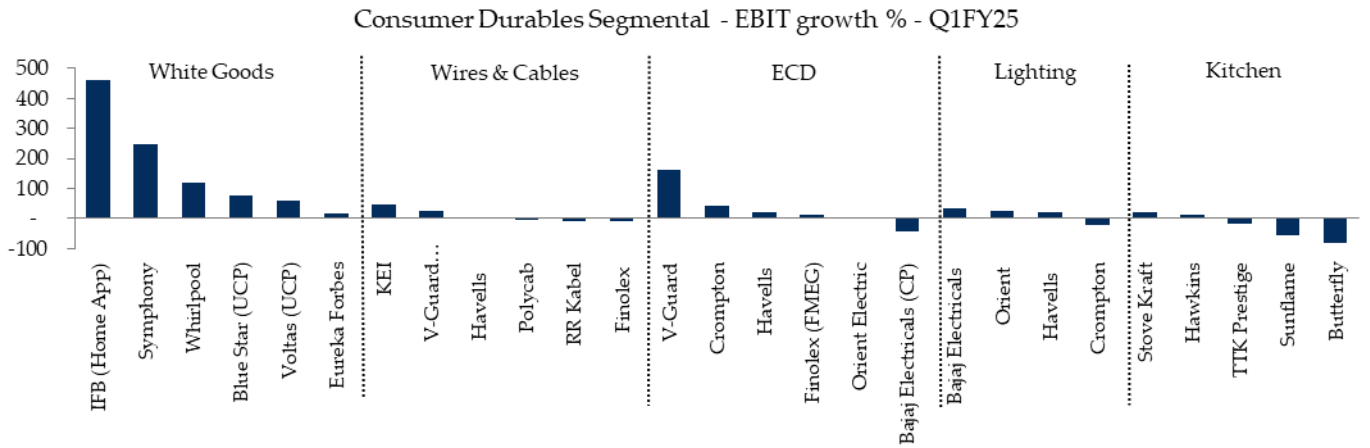
Source: Company, HSIE Research

Exhibit 4: Summer portfolio lead growth, moderation in wires & cables; kitchen demand bottoming out



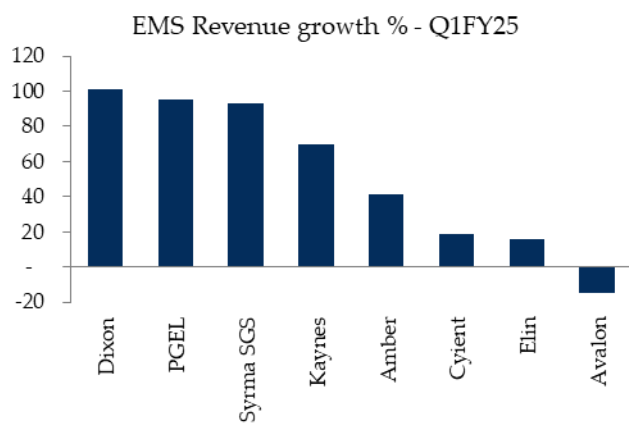
Source: Company; HSIE Research

Exhibit 5: 21 out of 31 companies see YoY improvement in profitability; kitchen segment weakest on low demand



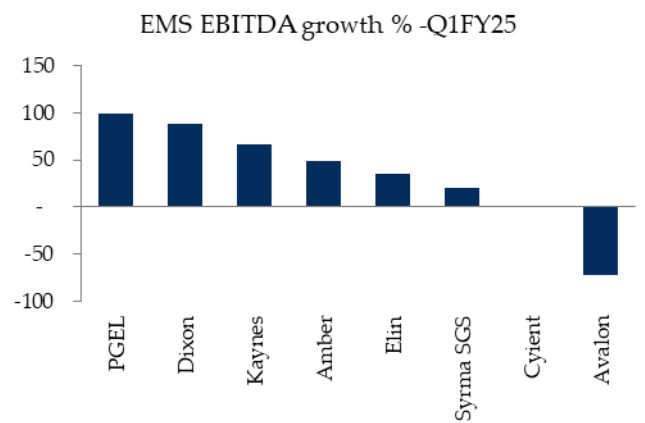
Source: Company; HSIE Research

Exhibit 6: Growth momentum sustains for most players



Source: Company; HSIE Research

Exhibit 7: PGEL/Dixon EBITDA nearly doubles YoY



Source: Company; HSIE Research

Segment-wise Performance: Q1FY25

Exhibit 8: Category-wise outperformers and underperformers on YoY/LTM basis

Segment	Revenue gr %		EBIT gr %	
	YoY	LTM	YoY	LTM
White Goods				
Blue Star (UCP)	44	39	77	53
Eureka Forbes	10	8	15	61
Havells (Lloyd)	47	23	na	na
IFB (Home App)	19	10	462	203
Johnson-Hitachi	76	21	na	na
Symphony	76	19	248	76
Voltas (UCP)	51	38	58	40
Whirlpool	24	10	121	60
Total	41	23	183	112
Wires & Cables				
Finolex	2	8	-10	6
Havells	2	9	2	19
KEI	16	18	46	41
Polycab	11	19	-6	22
RR Kabel	11	13	-9	10
V-Guard (Electricals)	7	9	25	35
Total	9	15	2	21
ECD				
Bajaj Electricals (CP)	4	-4	-43	-59
Crompton	21	18	42	15
Finolex (FMEG)	45	29	11	48
Havells	20	10	21	1
Orient Electric	6	10	1	8
Polycab (FMEG)	21	7	na	na
RR Kabel (FMEG)	24	20	na	na
V-Guard	26	17	160	265
Total	17	10	26	-3
Lighting & Fixtures				
Bajaj Electricals	4	-4	35	1
Crompton	2	-2	-24	-5
Havells	5	3	21	9
Orient	10	7	27	1
Total	5	1	15	3
Kitchen Appliances				
Butterfly	-17	-13	-81	na
Hawkins	12	4	14	18
Stove Kraft	6	6	21	10
TTK Prestige	0	-2	-19	-19
Sunflame	-7	na	-58	na
Total	-0	1	-17	-17
EMS*				
Amber	41	9	49	23
Avalon	-15	-15	-73	-54
Cyient	19	40	0	15
Dixon	101	67	88	49
Elin	16	4	35	-30
Kaynes	70	64	66	53
PGEL	95	47	99	59
Syrma SGS	93	64	21	10
Total	75	45	60	30

Source: Company, HSIE Research | EMS - EBITDA performance

White Goods

- In Q1FY25, white goods segment was the best performing segment in the consumer durables universe with revenue growing by 41% YoY (+19% 2-yr CAGR) led by demand for cooling products (Room AC, air coolers) on rising temperatures and intense heatwaves seen across the country. Symphony and Johnson Hitachi were the front-runners growing by 75%+ followed by Voltas, Lloyd and Blue Star.
- Segment profitability nearly tripled YoY (+59% 2-yr CAGR) with all companies exhibiting margin expansion led by oplev, stable input cost environment and product mix. Lloyd and Johnson Hitachi swung back to profitability vs losses LY. IFB's EBIT grew c.5.5x YoY followed by c.3.5x improvement seen in Symphony.
- With demand outstripping supply, the industry saw inventory stock-outs. Consequently, channel inventory remains at comfortable levels which shall aid primary sales in the coming months. However, competitive intensity continues to remain high which is likely to keep margins under check in the near-medium term.
- Over the last twelve months (LTM), Blue Star, Voltas and Lloyd have led the pack with strong revenue growth, while Eureka Forbes, IFB and Whirlpool have been laggards.

Exhibit 9: Cooling products lead the way on a harsh summer season

White Goods	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Blue Star (UCP)	11,242	11,985	7,295	9,554	17,089	17,295	44.3	24.0	51,233	38.6	26.1
Eureka Forbes	5,262	5,048	5,914	5,394	5,536	5,534	9.6	2.5	22,378	8.5	na
Havells (Lloyd)	10,837	13,055	4,930	6,467	13,401	19,241	47.4	33.2	44,039	22.7	24.3
IFB (Home App)	8,621	8,633	8,636	9,139	8,310	10,236	18.6	9.0	36,322	9.5	7.4
Johnson-Hitachi	10,103	5,672	2,802	2,996	7,718	9,960	75.6	-0.7	23,475	20.9	-6.4
Symphony	3,290	3,020	2,750	2,470	3,320	5,310	75.8	27.0	13,850	19.3	10.3
Voltas (UCP)	21,622	25,140	12,088	14,756	29,380	37,940	50.9	32.5	94,165	37.9	24.4
Whirlpool	19,837	19,229	14,000	13,978	16,120	23,837	24.0	9.6	67,935	10.5	1.2
Total	90,815	91,780	58,415	64,754	1,00,874	1,29,353	40.9	19.3	3,53,396	22.9	13.4
EBIT (INR mn)											
Blue Star (UCP)	911	893	616	679	1,414	1,580	76.9	31.7	4,290	52.9	38.0
Eureka Forbes	325	371	389	294	393	425	14.6	14.4	1,500	61.0	na
Havells (Lloyd)	-559	-615	-733	-660	372	674	na	na	-347	na	na
IFB (Home App)	96	72	334	359	46	406	462.2	105.9	1,144	202.7	141.4
Johnson-Hitachi	-45	-524	-594	-197	658	400	na	na	267	na	-9.9
Symphony	400	330	450	530	600	1,150	248.5	69.6	2,730	76.1	15.4
Voltas (UCP)	1,662	2,073	928	1,229	2,704	3,270	57.7	40.3	8,131	40.5	20.3
Whirlpool	1,071	861	402	301	1,216	1,903	121.1	33.3	3,821	60.5	-1.2
Total	3,861	3,462	1,791	2,535	7,403	9,809	183.3	59.4	21,537	112.3	24.2
EBIT Margin %											
Blue Star (UCP)	8.1	7.5	8.4	7.1	8.3	9.1	170bps	100bps	8.4	80bps	140bps
Eureka Forbes	6.2	7.3	6.6	5.4	7.1	7.7	30bps	150bps	6.7	220bps	na
Havells (Lloyd)	-5.2	-4.7	-14.9	-10.2	2.8	3.5	820bps	870bps	-0.8	550bps	400bps
IFB (Home App)	1.1	0.8	3.9	3.9	0.6	4.0	310bps	290bps	3.2	200bps	250bps
Johnson-Hitachi	-0.4	-9.2	-21.2	-6.6	8.5	4.0	1330bps	450bps	1.1	840bps	-10bps
Symphony	12.2	10.9	16.4	21.5	18.1	21.7	1070bps	950bps	19.7	640bps	170bps
Voltas (UCP)	7.7	8.2	7.7	8.3	9.2	8.6	40bps	90bps	8.6	20bps	-60bps
Whirlpool	5.4	4.5	2.9	2.2	7.5	8.0	350bps	260bps	5.6	180bps	-30bps
Total	4.3	3.8	3.1	3.9	7.3	7.6			6.1		

Source: Company; HSIE Research

Wires & Cables

- Cables & Wires (W&C) segment revenue growth moderated to 9% YoY in Q1FY25 (+18% 2-yr CAGR) impacted by copper price volatility and slow economic activity due to general elections. Sharp correction in copper prices towards the second half of the quarter led to sharp inventory destocking in June. Moreover, exports were impacted due to delay in shipments and container shortage. KEI was the top performer, growing ahead of aggregate industry growth while Finolex and Havells (higher B2C mix) struggled.
- EBIT margins fell for most companies over LY (except KEI and V-Guard) on account of input cost volatility and lower exports & B2C mix.
- In the near term, stability in copper prices remain key monitorable.
- Over the last twelve months (LTM), W&C continues to remain one of the better performing segments growing by 15% (+15%+ 2-yr CAGR). Polycab and KEI have led the pack with strong revenue growth while Finolex has been a laggard, followed by Havells and V-Guard.

Exhibit 10: Volatility in key input prices (copper, aluminum) impact performance

Wires & Cables	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Finolex	10,157	12,043	11,874	12,217	14,010	12,305	2.2	10.1	50,406	7.9	10.8
Havells	11,929	14,852	14,702	15,727	17,896	15,212	2.4	12.9	63,536	9.1	12.4
KEI	14,206	16,103	17,755	18,671	20,691	18,757	16.5	14.9	75,874	17.8	15.8
Polycab	23,885	34,874	37,401	38,730	47,918	38,572	10.6	27.1	1,62,621	19.3	19.1
RR Kabel	11,058	14,231	14,504	14,331	15,231	15,782	10.9	19.5	59,848	13.0	na
V-Guard (Electricals)	4,159	4,567	4,623	4,727	5,814	4,877	6.8	8.3	20,041	9.0	6.1
Total	75,393	96,669	1,00,859	1,04,402	1,21,559	1,05,505	9.1	18.3	4,32,325	14.7	15.2
EBIT (INR mn)											
Finolex	1,215	1,727	2,179	1,673	1,999	1,560	-9.7	13.3	7,411	6.1	13.7
Havells	875	1,684	1,707	1,625	2,154	1,711	1.6	39.8	7,196	18.9	19.8
KEI	1,274	1,415	1,919	1,979	2,258	2,067	46.1	27.4	8,223	40.6	25.9
Polycab	2,756	5,153	5,480	5,436	7,231	4,861	-5.7	32.8	23,007	22.1	37.7
RR Kabel	462	1,246	1,329	1,147	1,320	1,130	-9.3	56.4	4,927	9.7	na
V-Guard (Electricals)	283	394	383	429	724	492	24.8	31.8	2,028	35.5	12.1
Total	6,864	11,619	12,997	12,288	15,685	11,821	1.7	31.2	52,791	20.8	27.0
EBIT Margin %											
Finolex	12.0	14.3	18.4	13.7	14.3	12.7	-170bps	70bps	14.7	-30bps	70bps
Havells	7.3	11.3	11.6	10.3	12.0	11.2	-10bps	390bps	11.3	90bps	140bps
KEI	9.0	8.8	10.8	10.6	10.9	11.0	220bps	210bps	10.8	180bps	170bps
Polycab	11.5	14.8	14.7	14.0	15.1	12.6	-220bps	110bps	14.1	30bps	360bps
RR Kabel	4.2	8.8	9.2	8.0	8.7	7.2	-160bps	300bps	8.2	-20bps	na
V-Guard (Electricals)	6.8	8.6	8.3	9.1	12.5	10.1	150bps	330bps	10.1	200bps	100bps
Total	9.1	12.0	12.9	11.8	12.9	11.2			12.2		

Source: Company; HSIE Research

Electrical Consumer Durables (ECD)

- In Q1FY25, aided by a harsh summer season, ECD segment exhibited healthy revenue growth (for a second consecutive quarter) growing by 17% YoY (+12% 2-yr CAGR). The growth was largely led by the summer portfolio (fans, air coolers) while demand for remaining products continued to see gradual improvement. Most summer portfolio heavy mix companies exhibited healthy growth (20%+) with Orient Electric being the only exception (+6%). Finolex outperformed (on a low base) while Bajaj Electricals was a laggard given its higher mix of kitchen appliances.
- Overall EBIT for the segment grew by 26% YoY (+3.5% 2-yr CAGR) and was largely being pulled by Crompton (+42% YoY) and V-Guard (+160% YoY). Losses narrowed for Polycab. Bajaj Electricals and Orient Electric were laggards.
- Over the last twelve months (LTM), Finolex on a low base has grown the fastest followed by Polycab. Amongst the larger players, Crompton grew ahead of its peers while Bajaj Electricals has been a laggard.

Exhibit 11: Summer portfolio leads growth

ECD	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Bajaj Electricals (CP)	8,498	8,726	8,575	9,567	9,171	9,052	3.7	3.2	36,364	-3.7	0.6
Crompton	13,472	14,290	12,380	12,093	15,160	17,266	20.8	13.2	56,898	17.6	9.2
Finolex (FMEG)	503	465	549	599	639	676	45.4	15.9	2,462	28.5	11.2
Havells	8,381	8,770	7,331	9,613	9,104	10,549	20.3	12.2	36,596	9.7	4.8
Orient Electric	4,453	5,150	3,634	5,352	5,691	5,449	5.8	10.6	20,126	10.5	2.4
Polycab (FMEG)	3,052	3,130	3,280	2,883	3,536	3,794	21.2	11.5	13,492	7.2	-0.7
RR Kabel (FMEG)	1,302	1,851	1,598	2,005	2,310	2,300	24.2	32.9	8,213	20.1	na
V-Guard	2,991	3,312	3,547	3,928	3,657	4,176	26.1	18.2	15,307	17.0	12.3
Total	42,651	45,693	40,892	46,038	49,267	53,260	16.6	11.7	1,89,458	10.1	5.1
EBIT (INR mn)											
Bajaj Electricals (CP)	444	407	440	159	164	231	-43.2	-27.9	993	-59.5	-39.7
Crompton	2,285	1,816	1,755	1,642	2,533	2,587	42.4	6.4	8,517	14.7	-2.7
Finolex (FMEG)	7	7	9	7	8	8	11.1	4.0	32	48.4	35.6
Havells	1,098	947	848	1,062	1,025	1,147	21.1	2.2	4,083	1.3	-9.6
Orient Electric	372	492	297	603	465	494	0.5	15.3	1,859	8.1	-7.2
Polycab (FMEG)	62	-56	-60	-365	-458	-27	na	na	-909	na	na
RR Kabel (FMEG)	-149	-170	-198	-124	-194	-207	na	na	-722	na	na
V-Guard	38	84	-9	117	129	217	160.2	138.5	454	265.4	30.2
Total	4,158	3,526	3,082	3,101	3,672	4,450	26.2	3.5	14,306	-2.6	-12.4
EBIT Margin %											
Bajaj Electricals (CP)	5.2	4.7	5.1	1.7	1.8	2.5	-210bps	-270bps	2.7	-380bps	-490bps
Crompton	17.0	12.7	14.2	13.6	16.7	15.0	230bps	-200bps	15.0	-40bps	-390bps
Finolex (FMEG)	1.5	1.5	1.6	1.2	1.3	1.2	-40bps	-30bps	1.3	20bps	40bps
Havells	13.1	10.8	11.6	11.0	11.3	10.9	10bps	-220bps	11.2	-90bps	-390bps
Orient Electric	8.3	9.5	8.2	11.3	8.2	9.1	-50bps	70bps	9.2	-20bps	-200bps
Polycab (FMEG)	2.0	-1.8	-1.8	-12.7	-12.9	-0.7	110bps	-280bps	-6.7	-530bps	-970bps
RR Kabel (FMEG)	-11.4	-9.2	-12.4	-6.2	-8.4	-9.0	20bps	240bps	-8.8	440bps	na
V-Guard	1.3	2.5	-0.3	3.0	3.5	5.2	270bps	390bps	3.0	200bps	80bps
Total	9.8	7.7	7.5	6.7	7.5	8.4			7.6		

Source: Company; HSIE Research

Lighting

- Lighting segment revenue grew by 5% YoY (flat 2-yr CAGR). While B2C portfolio continued to witness healthy volume growth, price erosion due to technology change continues to impact value growth. B2B portfolio has sustained its momentum given high government push on infrastructure and realty sector. With election now over, B2B orders have started to come back. On the B2C side, the rate of price erosion has been decelerating. Orient continues to be the top performer growing in double-digits while Crompton was the laggard.
- Barring Crompton, EBIT margins expanded for most of the companies led by improving mix (value added products) and cost efficiency measures. Crompton's margins were impacted due to higher A&P spends (nil LY).
- Over the last twelve months (LTM), Orient has grown way ahead of its peers followed by Havells. Crompton and Bajaj Electricals were the laggards.

Exhibit 12: Price erosion continues to dampen B2C portfolio

Lighting & Fixtures	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Bajaj Electricals	2,738	2,395	2,553	2,716	2,710	2,498	4.3	-4.5	10,476	-4.0	-4.1
Crompton	2,623	2,290	2,387	2,494	2,811	2,333	1.9	-5.7	10,025	-2.2	-7.8
Havells	3,711	3,670	3,965	4,299	4,334	3,856	5.1	1.9	16,454	3.0	3.6
Orient	1,763	1,906	2,035	2,167	2,186	2,100	10.2	9.1	8,488	7.2	8.0
Total	10,835	10,261	10,939	11,676	12,041	10,787	5.1	-0.2	45,443	0.9	-0.4
EBIT (INR mn)											
Bajaj Electricals	217	193	144	227	231	261	35.1	9.7	864	1.0	5.6
Crompton	232	273	250	280	251	209	-23.6	-5.2	989	-5.5	-13.9
Havells	611	521	569	605	787	630	20.9	1.6	2,591	9.2	-5.0
Orient	232	307	269	307	281	390	26.9	29.5	1,247	0.8	7.6
Total	1,292	1,294	1,232	1,419	1,550	1,490	15.1	7.4	5,690	3.2	-3.1
EBIT Margin %											
Bajaj Electricals	7.9	8.1	5.6	8.4	8.5	10.5	240bps	250bps	8.2	40bps	140bps
Crompton	8.8	11.9	10.5	11.2	8.9	8.9	-300bps	10bps	9.9	-30bps	-140bps
Havells	16.5	14.2	14.4	14.1	18.2	16.3	210bps	-10bps	15.7	90bps	-300bps
Orient	13.2	16.1	13.2	14.2	12.8	18.6	250bps	540bps	14.7	-90bps	-10bps
Total	11.9	12.6	11.3	12.2	12.9	13.8			12.5		

Source: Company; HSIE Research

Kitchen Appliances

- In Q1FY25, Kitchen appliances segment witnessed flat growth on persistent demand pangs led by (1) a shift in consumer wallet in favour of other discretionary categories; (2) weakness in GT channel; and (3) subdued rural demand. However, demand softness appears to be bottoming and there are early green shoots visible in rural recovery which bodes well for upcoming festive season. Hawkins grew well ahead of industry while Butterfly was the worst performing name.
- EBIT margins for the sector continued to remain under pressure on account of (1) higher promotional expenses due to heightened competitive intensity; and (2) lower opelev. Except for Hawkins and Stove Kraft, rest all players saw meaningful dip in profitability.
- Over the last twelve months (LTM), Hawkins has been the top performer followed by Stove Kraft. TTK Prestige was the laggard along with Butterfly which has reported a loss.

Exhibit 13: Demand softness bottoming out; early green shoots visible in rural recovery

Kitchen Appliances	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Butterfly	2,535	2,190	3,080	2,379	1,664	1,817	-17.0	-15.3	8,940	-12.5	-10.1
Hawkins	1,977	2,034	2,716	2,724	2,768	2,275	11.9	7.3	10,483	3.6	2.2
Stove Kraft	2,751	2,977	3,798	3,616	3,252	3,145	5.6	6.9	13,810	5.7	7.4
TTK Prestige	6,291	5,876	7,295	7,384	6,226	5,879	0.1	-3.3	26,784	-2.1	-4.7
Sunflame	na	632	617	763	730	587	-7.1	na	2,696	na	na
Total	13,554	13,709	17,505	16,866	14,639	13,703	-0.0	0.5	62,713	1.2	-2.1
EBIT (INR mn)											
Butterfly	219	159	200	-22	-243	31	-80.8	-62.6	-35	na	na
Hawkins	315	270	462	247	436	309	14.2	-1.0	1,454	18.0	9.2
Stove Kraft	150	137	284	172	102	166	21.4	5.2	725	9.8	-1.1
TTK Prestige	680	459	649	679	606	373	-18.8	-26.0	2,306	-18.6	-25.6
Sunflame	na	65	37	82	73	27	-57.8	na	220	na	na
Total	1,364	1,089	1,631	1,158	974	905	-16.9	-18.5	4,669	-16.8	-18.7
EBIT Margin %											
Butterfly	8.6	7.3	6.5	-0.9	-14.6	1.7	-560bps	-690bps	-0.4	-770bps	-590bps
Hawkins	15.9	13.3	17.0	9.1	15.8	13.6	30bps	-230bps	13.9	170bps	170bps
Stove Kraft	5.5	4.6	7.5	4.8	3.1	5.3	70bps	-20bps	5.2	20bps	-90bps
TTK Prestige	10.8	7.8	8.9	9.2	9.7	6.3	-150bps	-450bps	8.6	-170bps	-550bps
Sunflame	na	10.2	6.0	10.8	10.0	4.7	-560bps	na	8.1	-390bps	na
Total	10.1	7.9	9.3	6.9	6.7	6.6			7.4		

Source: Company; HSIE Research

EMS

- Benefitting from industry tailwinds, EMS players sustained their accelerated growth momentum with aggregate revenues growing by 75% YoY (+40% 2-yr CAGR). Dixon and PG Electroplast led the pack with revenues almost doubling. In contrast to the industry trends, Avalon's revenues dipped.
- Segment profitability growth at 60% YoY (+47% 2-yr CAGR) was slower than revenue growth, given increasing mix in favour of high-volume-low-margin business. Dixon and PG Electroplast were the top performers followed by Kaynes and Amber. Syrma SGS, Cyient DLM and Avalon lagged their peers.
- We expect the EMS industry to sustain its accelerated growth momentum, led by (1) a populous base and rising aspiration levels ensuring large captive electronics demand; (2) low per capita electronics consumption (a quarter of the global average); and (3) government's push for making India a global hub for electronics manufacturing.
- Over the last twelve months (LTM), Dixon, Kaynes and Syrma SGS have led the pack with strong revenue growth while Amber, Elin and Avalon have been laggards.

Exhibit 14: Industry sustains accelerated growth momentum

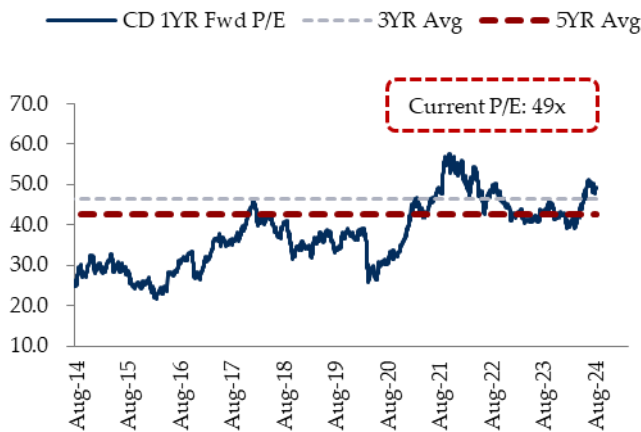
EMS	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
Revenue (INR mn)											
Amber	18,257	17,020	9,271	12,948	28,055	24,013	41.1	14.7	74,286	9.2	18.1
Avalon	1,960	2,351	2,010	2,143	2,168	1,995	-15.2	0.9	8,315	-15.5	na
Cyient DLM	1,701	2,171	2,918	3,210	3,618	2,579	18.8	23.1	12,326	40.2	na
Dixon	28,551	32,715	49,432	48,183	46,580	65,798	101.1	51.8	2,09,992	66.5	34.1
Elin	2,941	2,538	2,733	2,367	2,778	2,936	15.7	-0.1	10,815	4.5	na
Kaynes	1,993	2,972	3,608	5,093	6,373	5,040	69.6	59.0	20,114	64.3	na
PGEL	5,367	6,776	4,604	5,319	10,766	13,207	94.9	56.9	33,896	47.3	49.8
Syrma SGS	3,893	6,013	7,117	7,067	11,341	11,599	92.9	72.6	37,124	64.2	62.2
Total	64,664	72,557	81,694	86,329	1,11,679	1,27,166	75.3	40.2	4,06,868	44.8	33.5
EBITDA (INR mn)											
Amber	992	1,319	596	785	2,219	1,962	48.7	40.6	5,561	23.4	29.3
Avalon	195	162	126	165	172	44	-73.0	-52.7	507	-53.7	na
Cyient DLM	116	200	235	294	380	200	0.0	31.4	1,110	15.4	na
Dixon	1,001	1,319	1,989	1,844	1,825	2,479	88.0	57.4	8,137	49.4	36.7
Elin	112	98	99	85	124	133	35.3	8.9	440	-30.3	na
Kaynes	246	403	488	699	952	669	66.2	65.0	2,808	52.6	na
PGEL	364	658	376	420	1,165	1,306	98.5	89.5	3,266	58.9	68.0
Syrma SGS	336	369	490	388	737	446	20.7	15.3	2,060	9.9	22.8
Total	3,362	4,527	4,398	4,680	7,574	7,238	59.9	46.7	23,890	29.8	36.6
EBITDA Margin %											
Amber	5.4	7.8	6.4	6.1	7.9	8.2	40bps	270bps	7.5	90bps	120bps
Avalon	10.0	6.9	6.3	7.7	7.9	2.2	-470bps	-780bps	6.1	-500bps	na
Cyient DLM	6.8	9.2	8.1	9.2	10.5	7.8	-150bps	90bps	9.0	-190bps	na
Dixon	3.5	4.0	4.0	3.8	3.9	3.8	-30bps	30bps	3.9	-40bps	20bps
Elin	3.8	3.9	3.6	3.6	4.5	4.5	70bps	70bps	4.1	-200bps	na
Kaynes	12.3	13.5	13.5	13.7	14.9	13.3	-30bps	90bps	14.0	-110bps	0bps
PGEL	6.8	9.7	8.2	7.9	10.8	9.9	20bps	310bps	9.6	70bps	200bps
Syrma SGS	8.6	6.1	6.9	5.5	6.5	3.8	-230bps	-480bps	5.6	-270bps	-410bps
Total	5.2	6.2	5.4	5.4	6.8	5.7			5.9		

Source: Company; HSIE Research

Sector Valuation

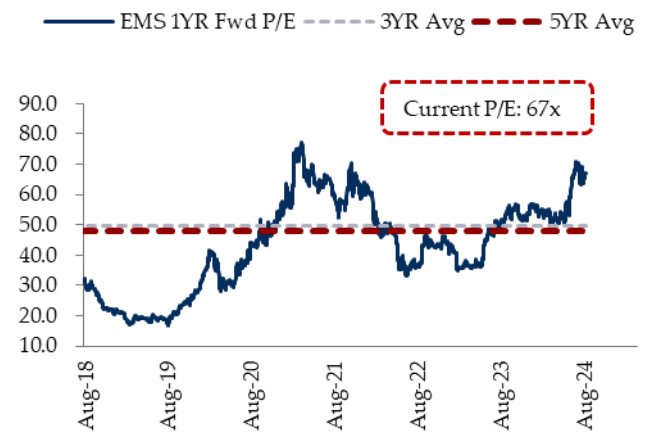
Having underperformed the NIFTY Midcap Index in the past three years on weak earnings, most consumer durable names have fared well over the past six months led by (1) improving macro-economic environment; (2) softening RM inflation; and (3) intense summer season aiding demand for cooling products. We remain constructive on the sector over the medium-long term on (1) runway for growth, given GDP multiplier benefits and under penetration across most categories; (2) resilient housing/home improvement theme; (3) rising consumer aspiration backed premiumization trend; and (4) product basket diversification opportunities.

Exhibit 15: CD Sector is trading at 49x 1-yr forward P/E



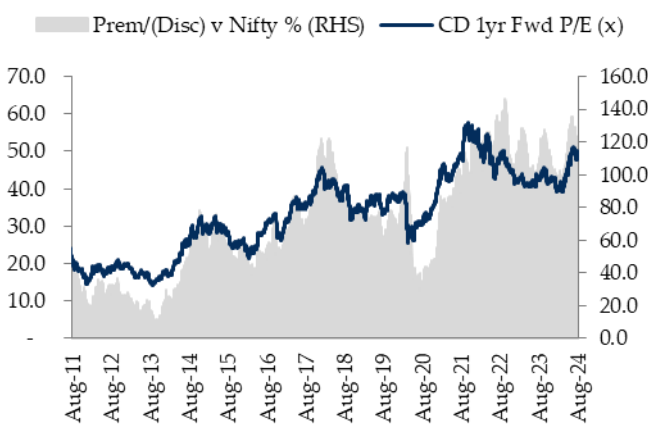
Source: Bloomberg, Company, HSIE Research

Exhibit 16: EMS Sector is trading at 67x 1-yr forward P/E



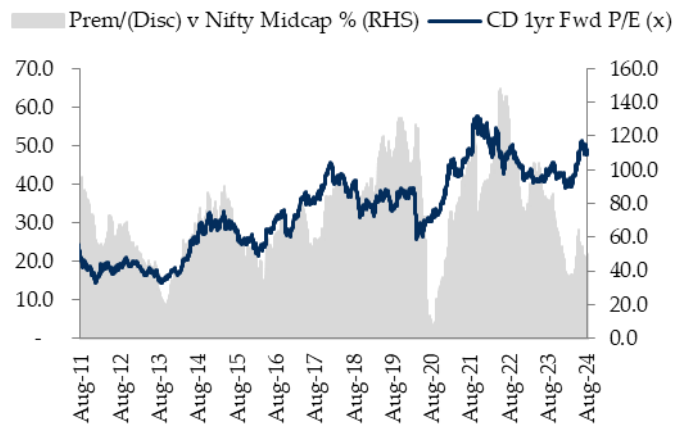
Source: Bloomberg, Company, HSIE Research

Exhibit 17: CD sector premium vs Nifty above 3yr avg...



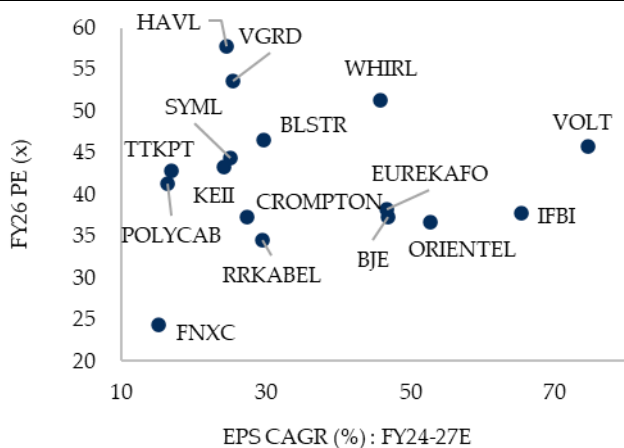
Source: Bloomberg, Company, HSIE Research

Exhibit 18: ...while vs Midcap index it is below 3yr avg



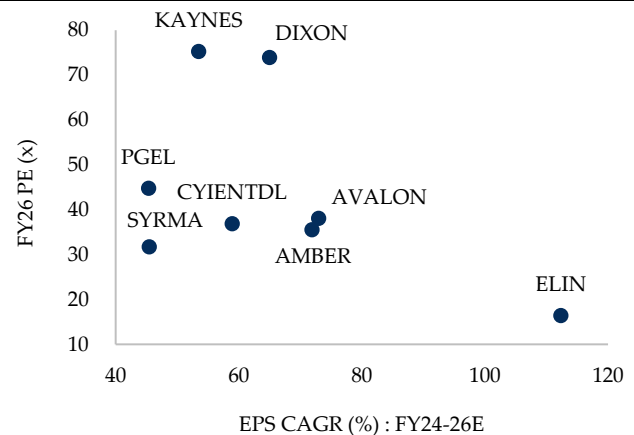
Source: Bloomberg, Company, HSIE Research

Exhibit 19: CD sector P/E and EPS CAGR



Source: Bloomberg, Company, HSIE Research

Exhibit 20: EMS sector P/E and EPS CAGR



Source: Bloomberg, Company, HSIE Research

Exhibit 21: Stock and valuation performance vs Index

Company	Returns %						Valuations (x)			
	1M	3M	6M	1yr	3yr	5yr	1yr PE	3yr PE	5yr PE	10yr PE
FMEG										
Bajaj Electricals	-6.7	6.5	-3.4	-5.2	1.8	184.9	39	36	36	32
Butterfly Gandhimathi	-0.1	12.6	-3.9	-25.5	10.7	455.0	na	na	na	na
Crompton Consumer	2.1	29.8	54.6	55.7	-5.8	89.2	35	35	35	na
Finolex Cables	-11.5	40.9	46.7	42.9	212.3	309.8	22	18	16	16
Havells India	0.1	5.6	34.1	47.8	50.6	183.4	57	55	54	45
Hawkins Cookers	-0.1	34.0	17.8	24.6	34.0	200.1	na	na	na	na
KEI Industries	-4.1	1.2	31.3	83.2	480.1	816.2	43	31	25	21
Orient Electric	1.4	25.7	32.4	15.5	-19.2	62.9	34	36	37	na
Polycab India	0.7	3.2	42.9	37.5	233.8	1,030.0	42	36	30	29
RR Kabel	-7.8	-5.7	8.8	na	na	na	42	na	na	na
Stove Kraft	21.0	55.3	53.7	38.7	-9.4	na	21	23	na	na
TTK Prestige	7.0	35.9	24.4	21.4	10.3	68.0	36	36	36	37
V-Guard	14.3	40.1	68.5	68.5	121.8	127.9	44	39	39	39
White Goods										
Blue Star	-1.1	9.5	39.0	131.3	323.4	392.7	47	41	39	34
Eureka Forbes	-8.5	8.0	-3.7	-9.2	na	na	51	na	na	na
IFB Industries	26.4	42.3	52.0	140.5	115.0	212.9	34	34	33	33
Johnson Controls - Hitachi	-8.9	47.2	71.1	37.0	-15.1	19.1	44	51	52	52
Symphony Ltd	44.4	68.6	84.8	86.9	84.7	34.4	35	34	36	39
Voltas Ltd	44.4	68.6	84.8	86.9	84.7	34.4	35	34	36	39
Whirlpool	0.9	16.2	42.8	85.7	56.9	157.7	50	47	43	35
EMS										
Amber Enterprises	-9.8	8.9	4.5	58.9	41.4	386.3	45	40	38	na
Avalon Technologies	-8.2	-0.9	-3.8	8.2	na	na	40	na	na	na
Cyient DLM	0.3	18.2	-	58.4	na	na	51	na	na	na
Dixon Technologies	-1.4	49.8	94.0	160.4	186.7	2,418.9	73	63	58	na
Elin Electronics	3.3	30.3	35.3	40.9	na	na	18	na	na	na
Kaynes Technology	22.3	98.0	81.8	195.6	na	na	69	na	na	na
PG Electroplast	34.7	130.5	161.9	205.3	1,151.1	9,402.2	34	30	30	30
Syrma SGS	-14.2	3.3	-19.1	-8.4	na	na	47	na	na	na
Index										
Nifty 50	-0.2	10.5	12.0	26.3	48.5	122.5	20	19	19	18
Nifty Midcap	-0.0	13.7	18.1	52.6	108.9	265.7	29	26	24	22

Source: Company; Bloomberg; HSIE Research

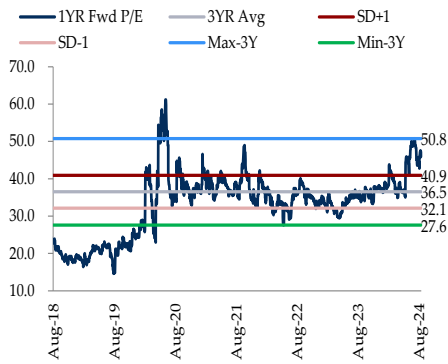
Exhibit 22: HSIE valuation summary

Company	Mcap (INR bn)	CMP (INR)	TP (INR)	RECO	EPS (INR)				P/E (x)				RoE %				Rev CAGR FY24-27	EPS CAGR FY24-27
					FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E		
Consumer Durables																		
Bajaj Electricals	110	959	1,200	BUY	11.8	17.5	26.4	37.4	81.3	54.9	36.4	25.6	8.1	13.2	17.5	21.1	14	47
Crompton Consumer	291	453	500	BUY	6.8	9.2	11.8	14.2	66.2	49.0	38.4	32.0	13.4	16.3	18.4	19.3	14	27
Havells	1,179	1,881	1,900	ADD	20.3	25.8	32.5	39.3	92.6	73.0	57.9	47.8	18.1	20.4	22.5	23.7	15	25
Orient Electric	57	266	310	BUY	2.7	5.0	7.4	9.5	100.3	53.6	36.2	28.1	9.3	15.7	20.5	22.7	13	53
Symphony	118	1,716	1,300	REDUCE	21.9	35.6	38.0	42.8	78.5	48.2	45.1	40.1	18.5	31.5	30.2	29.3	20	25
TTK Prestige	131	948	765	REDUCE	16.5	18.5	22.2	26.4	57.5	51.3	42.7	36.0	11.3	11.8	13.0	14.0	12	17
V-Guard	210	484	410	REDUCE	5.9	7.9	9.8	11.7	81.6	61.1	49.5	41.3	15.1	17.6	18.7	19.3	14	26
Voltas	532	1,608	1,600	ADD	7.6	26.6	33.5	40.5	211.1	60.5	48.0	39.7	4.4	14.2	15.9	17.0	15	75
EMS																		
Amber Enterprises	141	4,189	5,150	BUY	39.4	75.8	116.5	157.4	106.2	55.2	35.9	26.6	6.7	11.7	15.6	17.8	22	59
Dixon Technologies	765	12,784	11,000	REDUCE	61.5	122.7	167.3	223.2	208.0	104.2	76.4	57.3	24.7	35.9	34.9	33.7	47	54
Kaynes Technology	336	5,251	4,000	REDUCE	28.7	48.7	67.5	97.1	183.1	107.8	77.7	54.1	17.9	25.1	26.7	29.0	48	50
Syrma SGS	75	424	580	BUY	6.1	8.0	13.0	19.1	69.2	52.8	32.7	22.2	6.9	8.5	12.6	16.4	39	46

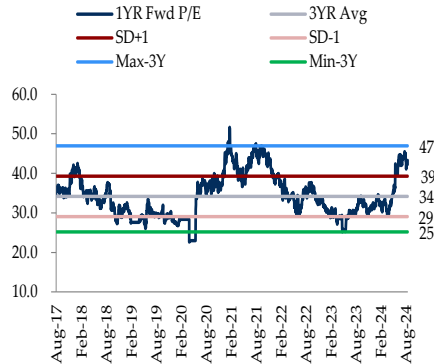
Source: Company; HSIE Research | CMP as on 19th August 2024

Company PE band charts

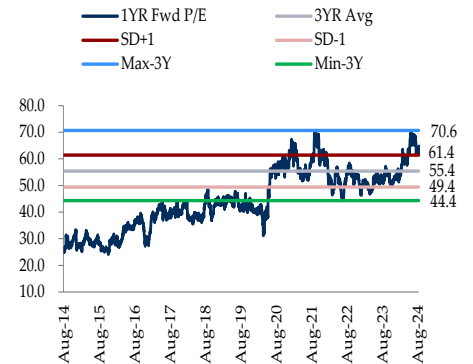
Bajaj Electricals P/E band



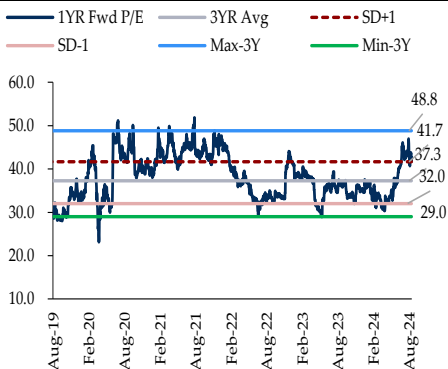
Crompton Consumer P/E band



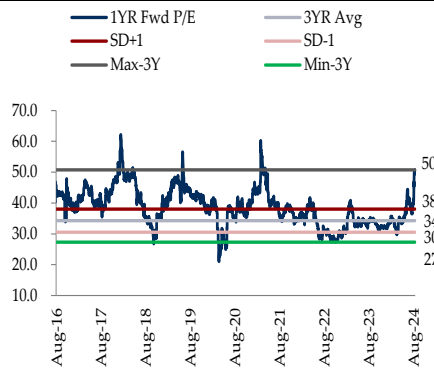
Havells P/E band



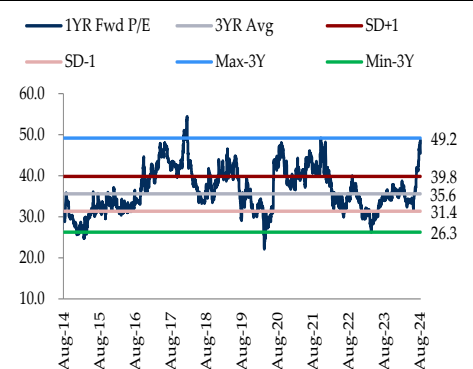
Orient Electric P/E band



Symphony P/E band



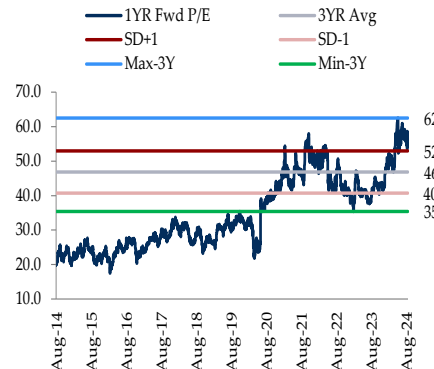
TTK Prestige P/E band



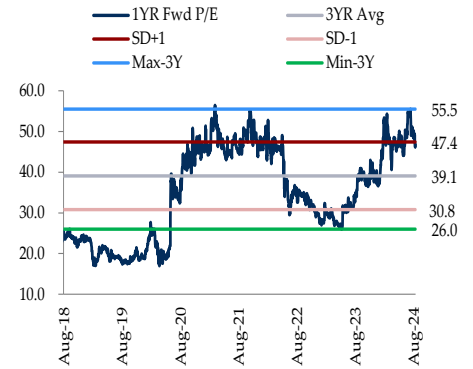
V-Guard P/E band



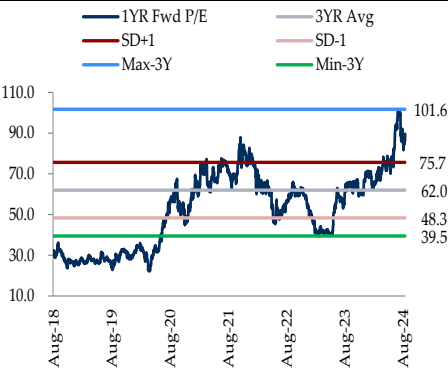
Voltas P/E band



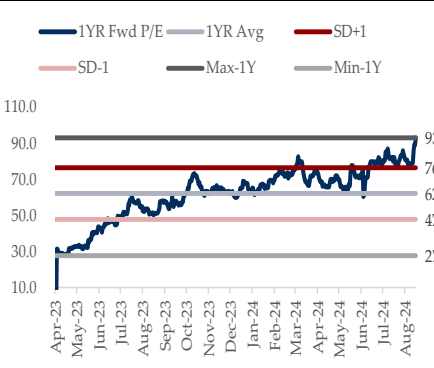
Amber Enterprises P/E band



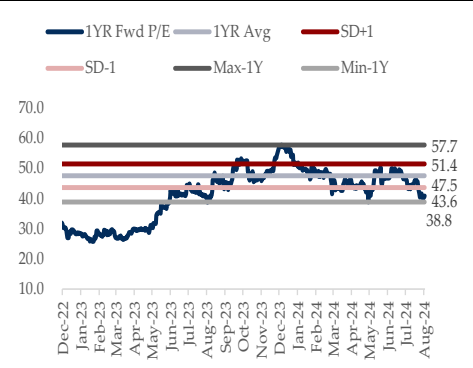
Dixon Technologies P/E band



Kaynes Technology P/E band



Syrma SGS P/E band



Annexure

Q1FY25

Exhibit 23: Company-wise revenue trend

Revenue (INR mn)	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
FMEG											
Bajaj Electricals	11,236	11,121	11,128	12,282	11,881	11,549	3.8	1.4	46,840	-3.7	-3.8
Butterfly Gandhimathi	2,535	2,190	3,080	2,379	1,664	1,817	-17.0	-15.3	8,940	-12.5	-10.1
Crompton Consumer	18,629	18,769	17,823	16,927	19,610	21,377	13.9	7.1	75,737	10.0	10.5
Finolex Cables	10,157	12,043	11,874	12,217	14,010	12,305	2.2	10.1	50,406	7.9	10.8
Havells	42,301	48,237	38,912	44,006	54,343	57,981	20.2	17.1	1,95,243	11.8	12.2
Hawkins	1,977	2,034	2,716	2,724	2,768	2,275	11.9	7.3	10,483	3.6	2.2
KEI	15,654	17,805	19,466	20,594	23,193	20,605	15.7	14.7	83,857	17.7	15.6
Orient Electric	6,216	7,056	5,669	7,519	7,877	7,549	7.0	10.2	28,614	9.5	4.0
Polycab	27,366	38,894	42,177	43,405	55,919	46,980	20.8	31.0	1,88,481	23.5	20.0
RR Kabel	12,359	15,973	16,097	16,335	17,541	18,081	13.2	21.0	68,054	14.2	na
Stove Kraft	2,751	2,977	3,798	3,616	3,252	3,145	5.6	6.9	13,810	5.7	7.4
TTK Prestige	6,291	5,876	7,295	7,384	6,226	5,879	0.1	-3.3	26,784	-2.1	-4.7
V-Guard	10,183	12,148	11,338	11,654	13,428	14,771	21.6	20.4	51,190	18.5	13.8
FMEG Total	1,65,120	1,92,933	1,88,291	1,98,663	2,30,047	2,22,497	15.3	16.1	8,39,497	13.1	10.6
White Goods											
Blue Star	19,703	22,260	18,904	22,412	33,278	28,654	28.7	20.6	1,03,247	25.6	21.8
Eureka Forbes	5,262	5,048	5,914	5,394	5,536	5,534	9.6	2.5	22,378	8.5	na
IFB Industries	10,674	10,859	11,009	11,608	10,902	12,692	16.9	9.0	46,211	9.7	8.7
Johnson Controls	10,103	5,672	2,802	2,996	7,718	9,960	75.6	-0.7	23,475	20.9	-6.4
Symphony	3,290	3,020	2,750	2,470	3,320	5,310	75.8	27.0	13,850	19.3	10.3
Voltas	27,680	33,599	22,928	26,257	42,029	49,210	46.5	33.3	1,40,424	39.2	25.5
Whirlpool of India	19,837	19,229	14,000	13,978	16,120	23,837	24.0	9.6	67,935	10.5	1.2
White Goods Total	96,550	99,686	78,307	85,115	1,18,902	1,35,196	35.6	18.3	4,17,520	23.4	14.3
EMS											
Amber Enterprises	18,257	17,020	9,271	12,948	28,055	24,013	41.1	14.7	74,286	9.2	18.1
Avalon	1,960	2,351	2,010	2,143	2,168	1,995	-15.2	0.9	8,315	-15.5	na
Cyient DLM	1,701	2,171	2,918	3,210	3,618	2,579	18.8	23.1	12,326	40.2	na
Dixon Technologies	28,551	32,715	49,432	48,183	46,580	65,798	101.1	51.8	2,09,992	66.5	34.1
Elin Electronics	2,941	2,538	2,733	2,367	2,778	2,936	15.7	-0.1	10,815	4.5	na
Kaynes Technology	1,993	2,972	3,608	5,093	6,373	5,040	69.6	59.0	20,114	64.3	na
PG Electroplast	5,367	6,776	4,604	5,319	10,766	13,207	94.9	56.9	33,896	47.3	49.8
Syrma SGS	3,893	6,013	7,117	7,067	11,341	11,599	92.9	72.6	37,124	64.2	62.2
EMS Total	64,664	72,557	81,694	86,329	1,11,679	1,27,166	75.3	40.2	4,06,868	44.8	33.5
Total	3,26,334	3,65,176	3,48,292	3,70,108	4,60,628	4,84,859	32.8	21.9	16,63,886	22.2	15.9
Total (Ex-EMS)	2,61,670	2,92,620	2,66,597	2,83,778	3,48,949	3,57,693	22.2	16.9	12,57,018	16.3	11.8

Source: Company; HSIE Research

Exhibit 24: Company-wise EBITDA trend

EBITDA (INR mn)	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
FMEG											
Bajaj Electricals	730	770	767	576	497	754	-2.1	1.6	2,595	-30.9	-10.0
Butterfly Gandhimathi	258	197	251	24	-198	92	-53.4	-40.3	169	-81.3	-52.9
Crompton Consumer	2,199	1,858	1,745	1,498	2,036	2,324	25.1	2.8	7,603	2.4	-6.2
Finolex Cables	1,137	1,444	1,442	1,331	1,619	1,204	-16.7	2.9	5,596	6.3	10.5
Havells	3,614	4,024	3,735	4,326	6,368	5,762	43.2	26.3	20,191	22.8	6.9
Hawkins	333	291	483	269	459	333	14.5	-0.1	1,544	17.8	9.5
KEI	1,596	1,762	2,039	2,146	2,446	2,146	21.8	15.9	8,775	21.7	17.6
Orient Electric	381	440	207	489	307	401	-8.9	2.5	1,404	-10.5	-24.6
Polycab	3,111	5,486	6,089	5,695	7,615	5,834	6.3	36.9	25,234	20.8	32.3
RR Kabel	400	1,129	1,209	1,126	1,153	949	-15.9	54.1	4,437	12.2	na
Stove Kraft	216	240	400	301	248	317	32.1	21.0	1,265	24.8	14.6
TTK Prestige	799	606	808	850	772	545	-10.2	-17.5	2,975	-12.3	-19.7
V-Guard	820	1,048	925	1,016	1,279	1,558	48.7	37.8	4,777	40.1	12.7
FMEG Total	15,337	19,097	19,849	19,623	24,799	22,124	15.9	20.1	86,396	14.2	9.2
White Goods											
Blue Star	1,233	1,450	1,227	1,554	2,419	2,378	64.0	38.9	7,578	47.3	33.1
Eureka Forbes	461	505	521	427	533	563	11.5	10.6	2,044	36.8	na
IFB Industries	347	348	704	653	465	817	134.8	53.4	2,640	62.1	47.2
Johnson Controls	137	-360	-436	-32	814	566	na	103.6	912	na	-7.0
Symphony	340	260	410	440	570	1,110	326.9	80.7	2,530	94.6	16.9
Voltas	1,770	1,854	703	284	1,906	4,238	128.6	54.7	7,131	22.8	-0.7
Whirlpool of India	1,174	1,002	522	391	1,207	1,933	92.9	28.3	4,052	44.1	-5.8
White Goods Total	5,462	5,059	3,651	3,718	7,914	11,605	129.4	45.8	26,887	53.6	10.9
EMS											
Amber Enterprises	992	1,319	596	785	2,219	1,962	48.7	40.6	5,561	23.4	29.3
Avalon	195	162	126	165	172	44	-73.0	-52.7	507	-53.7	na
Cyient DLM	116	200	235	294	380	200	0.0	31.4	1,110	15.4	na
Dixon Technologies	1,001	1,319	1,989	1,844	1,825	2,479	88.0	57.4	8,137	49.4	36.7
Elin Electronics	112	98	99	85	124	133	35.3	8.9	440	-30.3	na
Kaynes Technology	246	403	488	699	952	669	66.2	65.0	2,808	52.6	na
PG Electroplast	364	658	376	420	1,165	1,306	98.5	89.5	3,266	58.9	68.0
Syrma SGS	336	369	490	388	737	446	20.7	15.3	2,060	9.9	22.8
EMS Total	3,362	4,527	4,398	4,680	7,574	7,238	59.9	46.7	23,890	29.8	36.6
Total	24,160	28,683	27,898	28,021	40,287	40,967	42.8	30.2	1,37,173	23.0	12.7
Total (Ex-EMS)	20,799	24,155	23,500	23,341	32,713	33,729	39.6	27.3	1,13,283	21.6	9.6

Source: Company; HSIE Research

Exhibit 25: Company-wise EBITDA margin trend

EBITDA Margin %	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
FMEG											
Bajaj Electricals	6.5	6.9	6.9	4.7	4.2	6.5	-40bps	0bps	5.5	-220bps	-80bps
Butterfly Gandhimathi	10.2	9.0	8.2	1.0	-11.9	5.1	-390bps	-510bps	1.9	-700bps	-500bps
Crompton Consumer	11.8	9.9	9.8	8.8	10.4	10.9	100bps	-90bps	10.0	-80bps	-390bps
Finolex Cables	11.2	12.0	12.1	10.9	11.6	9.8	-220bps	-140bps	11.1	-20bps	-10bps
Havells	8.5	8.3	9.6	9.8	11.7	9.9	160bps	140bps	10.3	90bps	-100bps
Hawkins	16.9	14.3	17.8	9.9	16.6	14.6	30bps	-220bps	14.7	180bps	190bps
KEI	10.2	9.9	10.5	10.4	10.5	10.4	50bps	20bps	10.5	30bps	40bps
Orient Electric	6.1	6.2	3.6	6.5	3.9	5.3	-90bps	-80bps	4.9	-110bps	-440bps
Polycab	11.4	14.1	14.4	13.1	13.6	12.4	-170bps	100bps	13.4	-30bps	240bps
RR Kabel	3.2	7.1	7.5	6.9	6.6	5.3	-180bps	200bps	6.5	-10bps	330bps
Stove Kraft	7.9	8.0	10.5	8.3	7.6	10.1	200bps	220bps	9.2	140bps	110bps
TTK Prestige	12.7	10.3	11.1	11.5	12.4	9.3	-110bps	-340bps	11.1	-130bps	-450bps
V-Guard	8.1	8.6	8.2	8.7	9.5	10.5	190bps	250bps	9.3	140bps	-20bps
FMEG Margins %	9.3	9.9	10.5	9.9	10.8	9.9	0bps	70bps	10.3	10bps	-50bps
White Goods											
Blue Star	6.3	6.5	6.5	6.9	7.3	8.3	180bps	200bps	7.3	110bps	120bps
Eureka Forbes	8.8	10.0	8.8	7.9	9.6	10.2	20bps	140bps	9.1	190bps	200bps
IFB Industries	3.3	3.2	6.4	5.6	4.3	6.4	320bps	320bps	5.7	180bps	260bps
Johnson Controls Hitachi	1.4	-6.3	-15.6	-1.1	10.5	5.7	1200bps	430bps	3.9	740bps	-10bps
Symphony	10.3	8.6	14.9	17.8	17.2	20.9	1230bps	1060bps	18.3	710bps	200bps
Voltas	6.4	5.5	3.1	1.1	4.5	8.6	310bps	220bps	5.1	-70bps	-300bps
Whirlpool of India	5.9	5.2	3.7	2.8	7.5	8.1	290bps	220bps	6.0	140bps	-90bps
White Goods Margins	5.7	5.1	4.7	4.4	6.7	8.6	350bps	290bps	6.4	130bps	-30bps
EMS											
Amber Enterprises	5.4	7.8	6.4	6.1	7.9	8.2	40bps	270bps	7.5	90bps	120bps
Avalon	10.0	6.9	6.3	7.7	7.9	2.2	-470bps	-780bps	6.1	-500bps	-450bps
Cyient DLM	6.8	9.2	8.1	9.2	10.5	7.8	-150bps	90bps	9.0	-190bps	220bps
Dixon Technologies	3.5	4.0	4.0	3.8	3.9	3.8	-30bps	30bps	3.9	-40bps	20bps
Elin Electronics	3.8	3.9	3.6	3.6	4.5	4.5	70bps	70bps	4.1	-200bps	-200bps
Kaynes Technology	12.3	13.5	13.5	13.7	14.9	13.3	-30bps	90bps	14.0	-110bps	0bps
PG Electroplast	6.8	9.7	8.2	7.9	10.8	9.9	20bps	310bps	9.6	70bps	200bps
Syrma SGS	8.6	6.1	6.9	5.5	6.5	3.8	-230bps	-480bps	5.6	-270bps	-410bps
EMS Margins %	5.2	6.2	5.4	5.4	6.8	5.7	-50bps	50bps	5.9	-70bps	40bps
Total	7.4	7.9	8.0	7.6	8.7	8.4	60bps	100bps	8.2	10bps	-40bps
Total (Ex-EMS)	7.9	8.3	8.8	8.2	9.4	9.4	120bps	150bps	9.0	40bps	-40bps

Source: Company; HSIE Research

Exhibit 26: Company-wise PAT trend

APAT (INR mn)	1Q23	1Q24	2Q24	3Q24	4Q24	1Q25	YoY %	2yr-CAGR %	LTM	YoY %	2yr-CAGR %
FMEG											
Bajaj Electricals	451	375	378	374	293	281	-25.1	-21.1	1,326	-38.4	-21.3
Butterfly Gandhimathi	132	147	146	-22	-176	25	-82.9	-56.4	-27	na	na
Crompton Consumer	1,274	1,184	972	860	1,384	1,517	28.2	9.1	4,733	2.8	-12.9
Finolex Cables	956	1,322	1,654	1,278	1,356	1,225	-7.4	13.2	5,512	2.4	11.3
Havells	2,424	2,874	2,491	2,879	4,489	4,112	43.1	30.2	13,970	24.7	7.8
Hawkins	231	208	352	197	341	251	20.5	4.2	1,141	23.3	12.7
KEI	1,038	1,214	1,402	1,507	1,688	1,502	23.8	20.3	6,099	23.2	21.6
Orient Electric	189	197	-2	243	128	143	-27.2	-13.0	512	-33.1	-39.6
Polycab	2,198	3,996	4,256	4,129	5,460	3,960	-0.9	34.2	17,804	22.8	34.5
RR Kabel	181	743	741	710	787	644	-13.4	88.4	2,882	17.1	na
Stove Kraft	81	82	165	68	27	82	0.0	0.8	341	-4.8	-18.0
TTK Prestige	533	480	593	625	587	418	-13.1	-11.5	2,222	-10.7	-17.6
V-Guard	534	642	590	582	762	990	54.1	36.2	2,923	46.2	7.0
FMEG Total	10,089	13,318	13,591	13,450	17,301	15,124	13.6	22.4	59,466	14.8	8.8
White Goods											
Blue Star	741	834	708	1,005	1,589	1,688	102.5	50.9	4,991	77.4	47.6
Eureka Forbes	198	254	258	230	214	321	26.3	27.4	1,023	218.7	na
IFB Industries	19	37	294	250	165	403	994.3	360.4	1,111	480.8	na
Johnson Controls	-20	-410	-564	-271	488	362	na	na	15	na	-75.9
Symphony	290	260	350	410	480	880	238.5	74.2	2,120	86.0	21.8
Voltas	1,089	1,293	367	-304	1,164	3,342	158.5	75.2	4,569	14.5	-3.5
Whirlpool of India	779	623	255	147	838	1,340	115.2	31.2	2,580	52.5	-3.6
White Goods Total	3,097	2,890	1,668	1,467	4,938	8,337	188.4	64.1	16,409	83.6	15.1
EMS											
Amber Enterprises	420	456	-69	-5	947	724	58.6	31.2	1,596	-0.7	7.2
Avalon	93	71	73	66	71	-23	na	na	186	-63.0	na
Cyient DLM	63	54	147	184	227	106	97.7	29.5	664	115.8	na
Dixon Technologies	457	688	1,073	964	952	1,337	94.2	71.0	4,326	55.3	39.8
Elin Electronics	31	38	39	26	35	59	56.9	37.6	160	-41.0	na
Kaynes Technology	100	246	323	452	813	508	106.0	124.8	2,095	90.8	na
PG Electroplast	164	338	124	192	696	837	147.6	125.9	1,849	94.8	86.4
Syrma SGS	156	285	297	155	349	193	-32.3	11.3	995	-24.8	15.6
EMS Total	1,485	2,176	2,006	2,036	4,089	3,740	71.9	58.7	11,871	34.2	34.0
Total	14,671	18,385	17,266	16,952	26,328	27,201	48.0	36.2	87,747	26.1	12.1
Total (Ex-EMS)	13,186	16,208	15,260	14,916	22,239	23,461	44.7	33.4	75,876	24.9	10.1

Source: Company; HSIE Research

1 Yr Price history		
<p>Bajaj Electricals</p>	<p>Crompton Consumer</p>	<p>Havells India</p>
<p>Orient Electric</p>	<p>Symphony</p>	<p>TTK Prestige</p>
<p>V-Guard</p>	<p>Voltas</p>	<p>Amber</p>
<p>Dixon</p>	<p>Kaynes Technology</p>	<p>Syrma</p>
<p>Rating Criteria</p> <p>BUY: >+15% return potential</p> <p>ADD: +5% to +15% return potential</p> <p>REDUCE: -10% to +5% return potential</p> <p>SELL: >10% Downside return potential</p>		

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HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

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HDFC Securities

Institutional Equities

Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park,

Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Board: +91-22-6171-7330 www.hdfcsec.com