AXIS CAPITAL

Whirlpool of India

Market share gains on expanding product-mix/distribution

Household Durables | Initiating Coverage | July 14, 2025

ADD

Current Price (Rs)	: 1,384
Target Price (Rs)	: 1,490
Potential Upside	: 8%

Market Data

No. of shares	: 127 mn
Free Float	: 49.0%
Market Cap (USD)	: 2,044 mn
52-week High/ Low (Rs)	: 2,450/ 899
Avg. Daily Volume (6M)	: 0.48 mn
Avg. Daily Value (6M;USD)	: 6.52 mn
Bloomberg Code	: WHIRL IB
Promoters Holding	: 51.0%
FII / DII	: 11% / 28%

Price Performance

(%)	1M	3M	12M
Absolute	4.2	25.1	(30.3)
Relative	4.2	15.3	(33.6)

Source: Bloomberg

Deepak Agarwal
deepak3.agarwal@axiscap.in
Bhavani Kumawat
bhavani.kumawat@axiscap.in

Over FY25-28E, we expect Whirlpool of India (Whirlpool) to gain market share and improve profitability, mainly on: (1) refrigerators – strengthening its market position in direct-cool segment with new launches, improving pricing, and launching premium frost-free; (2) washing machines – added front-load along with increasing warranties in semi-automatic; and (3) an improving incentive structure. Hence, we expect revenue/earnings CAGRs of 11/19% over FY25-28E. Whirlpool has strong brand recall, strong balance sheet, and working capital management. We expect OCF/FCFF of Rs 14 bn/7.7 bn over FY26-28E and RoCE/RoCE (ex-cash) of 18/57% in FY28E. We value Whirlpool at a P/E of 35x on Sep'27E EPS (lower multiple mainly because of lack of clarity on parent stake sale) and initiate with an ADD rating and a TP of Rs 1,490.

Refrigerators: Strong position in DC, expansion in FF

In the past two years, Whirlpool has improved its pricing and introduced new products like glass door in direct-cool (DC) and 3-star in frost-free (FF). This has made it the #2 player in DC (since May'24) and the leader in the 190-200 l category, mainly on highest SKUs and products. It increased its product launches in FF and plans to add products in the side-by-side/4-door categories in the next one year (as per channel checks). We expect Whirlpool's refrigerator business to see a 9% CAGR over FY25-28E with market share gains amid a weak demand environment

Washing machines: Market share gains across categories

Whirlpool has increased its product basket in washing machines (WM) by introducing FL. In semi-automatic, it has extended warranty from two to four years, ahead of competitors. Also, to strengthen its position at the entry level, it has improved its sourcing strategy (increasing outsourcing). It has introduced new technology products to lift market share. In top-load, its market share rose 250 bps YoY in FY25, mainly on aggressive pricing, advertising, and strong growth in Bloomwash. In front-load, it is ramping up its product basket and has introduced a five-year warranty, which is ahead of the industry. We expect Whirlpool's WM business to see an 11% CAGR over FY25-28E with a market share gain.

Distribution strategy revamp to increase penetration

Whirlpool increased its store promoter strength by ~2,000 in FY24. It changed the incentive structure for the channel and team from just volume to volume plus value and has strengthened its team. This helped it make strong market share gains across segments.

Financial summary (Consolidated)

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Sales (Rs mn)	68,298	79,194	85,287	96,400	1,08,154
EBITDA (Rs mn)	4,030	5,503	5,295	6,898	8,892
Adj. PAT (Rs mn)	2,432	3,558	3,408	4,616	6,186
Con. EPS* (Rs)	-	-	34.0	39.6	53.4
EPS (Rs)	19.2	28.0	26.9	36.4	48.8
Change YoY (%)	9	46	(4)	35	34
Previous EPS (Rs)	-	-	-	-	-
RoE (%)	6.1	9.2	8.1	10.0	11.9
RoCE (%)	9.4	13.6	12.2	15.0	17.8
P/E (x)	72.2	49.4	51.5	38.0	28.4
EV/E (x)	38.4	27.3	28.0	20.9	15.7

Source: *Consensus broker estimates, Company, Axis Capital

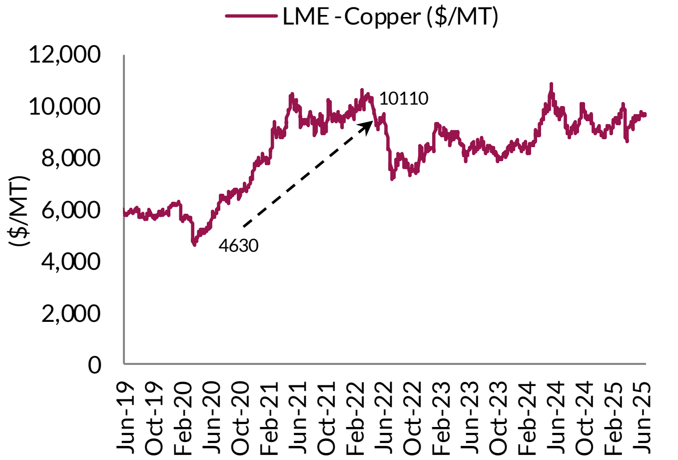
Table of Contents

What went wrong for Whirlpool in refrigerators?

Why did Whirlpool lose market share in DC?

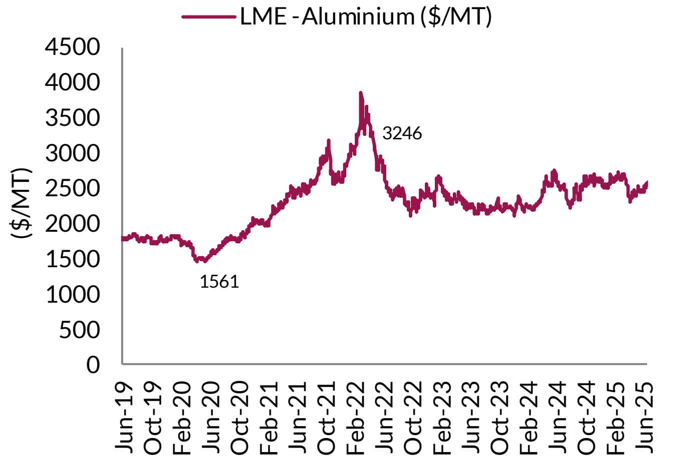
- **(1) During Covid**, people were increasingly working from home and began to feel the need for increased storage due to complete lockdowns and, hence, started shifting to higher capacities. Also, the adverse impact of the pandemic on the low-income population dented entry-level products with lower capacity.
- **(2) Commodity prices** increased significantly after Jan'20, so Whirlpool hiked prices ahead of South Korean players like Samsung and LG, which made its products costlier and led to market share loss.

Exhibit 1: Significant increase in copper prices during Covid



Source: Bloomberg, Axis Capital

Exhibit 2: Significant increase in aluminum prices during Covid



Source: Bloomberg Axis Capital

- **(3) BEE rating change and shift from gross capacity to net capacity:** Jan'23 onwards, BEE mandated the declaration of net capacity (not gross capacity) of a refrigerator unit along with star-rating changes. This mandate hit Whirlpool's two entry-level products – 185 l became outdated and 190 l (gross) faced strong competition from South Korean brands – and impacted its market share. It also had to change its 200 l model to 192 l and faced strong competition from Samsung 189 l, which further dented Whirlpool's market share in the 192 l category wherein it was the #1 player earlier. The company faced similar situations with its products in other segments as well.

How did Whirlpool regain market share in DC?

- Over Jan-Apr'23, Whirlpool adjusted pricing to become competitive in the market and upgraded its DC models to comply with the regulatory changes. This lowered its margins in H1FY24 but increased the market share.

Introduced 5-star rating in all single-door refrigerators, thereby improved value-mix in the portfolio.

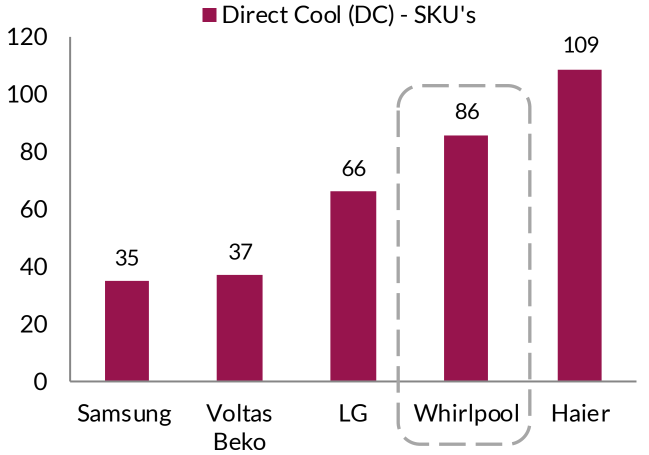
- Strong product SKU addition along with improvement in technology helped the company regain its market position, especially in the >190 l category. Also, Whirlpool is the only company that has an auto-defrost feature in the DC single-door category (Vita Magic model). It also offers additional features in its models, such as ice in one hour (Ice Magic PRO Plus model) and glass door, which supported the gain in market share.
- **Whirlpool remains very aggressive in the >190-200 l range and is over index here with #1 position in 190-200 l.**

Exhibit 3: Whirlpool's price aggressiveness – product prices lower than that of South Korean models

Industry Capacity	Industry Share	Whirlpool-DC Revenue Share (%) *	Whirlpool			Samsung		LG	
			Gross Capacity	Net Capacity	Price	Capacity	Price	Capacity	Price
<190L	15%	9%	185L	Outdated		No Products		No Products	
		7%	190L	184L	16,790	183L	17,290	185L	17,490
>190L<220L	70%	**70%**	**200L**	192L	17,990	189L	17,990	201L	19,490
		9%	**215L**	207L	18,990	215L	19,990	210L	19,990
>220L	15%	2.50%	245L	236L	20,990	223L	18,990	NA	NA

Source: Company, Axis Capital, *Estimate

Exhibit 4: Whirlpool has strong SKUs – in Top 2



Source: Company, Axis Capital

Exhibit 5: Highest SKUs in 192 l makes Whirlpool leader

Whirlpool		Samsung		LG	
Capacity	SKU	Capacity	SKU	Capacity	SKU
184L	23	183L	17	185L	32
192L	**32**	**189L**	**3**	**190L**	**3**
274L	3	215L	9	201L	12
207L	18	223L	4	205L-210L	8
236L	10	246L	2	224L, 235L, 261L	11
Total	**86**		**35**		**66**

Source: Company Website, Axis Capital

Exhibit 6: Whirlpool's glass door in DC sees strong gain

Source: Company, Axis Capital

Exhibit 7: Whirlpool's major features in DC vis-à-vis peers

Direct Cool Features	Whirlpool	Samsung	LG	Haier	IFB
Glass Door	☑	☒	☒	☑	☑
De-Frost	☑	☒	☒	☒	☒
1 hour ice technology	☑	☒	☒	☑	☒
Cooling Retention>10hr	☑	☒	☒	☒	☒

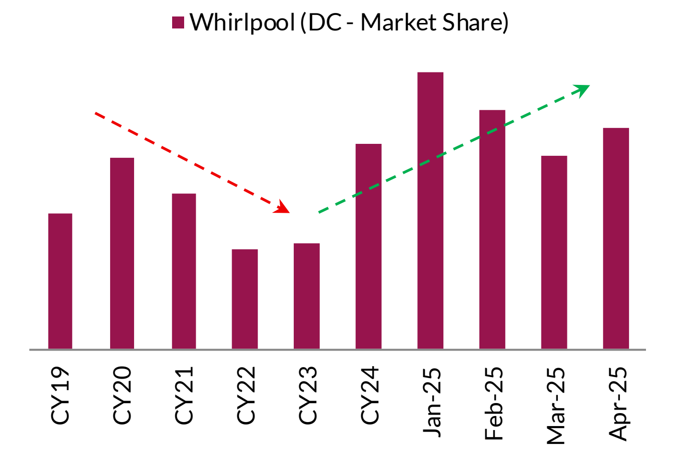
Source: Company, Axis Capital

Exhibit 8: Significant product launches in DC refrigerators

Year	Refrigerator
2019	The DC refrigerator segment saw **the launch of the all-new IceMagic Pro Series wherein the unique 6th Sense Intellifrost Technology** was extended beyond the Vitamagic range to the Icemagic range.
2020	The company introduced a new range of single-door refrigerators, IceMagic Pro. Offering contemporary design and advanced craftsmanship with its advanced 6th Sense IntelliFrost Technology powered by Intellisensor and advanced microprocessor.
2021	To further strengthen its position in the single-door refrigerator segment, **the company has revamped the mid- to high-end portfolio with modern sleek design and best-in-class aesthetics**. These products have been built on an all-new energy-efficient platform that gives the consumer best-in-class 5-star energy ratings. The Icemagic Pro Plus range single-door refrigerators are powered by the IntelliFrost.
2023	The company continued to strengthen its entry-segment refrigerator portfolio with its Icemagic and Vitamagic range of DC refrigerators.
2024	Launch of the all-new range of **IceMagic Pro 5-Star range of DC refrigerators**

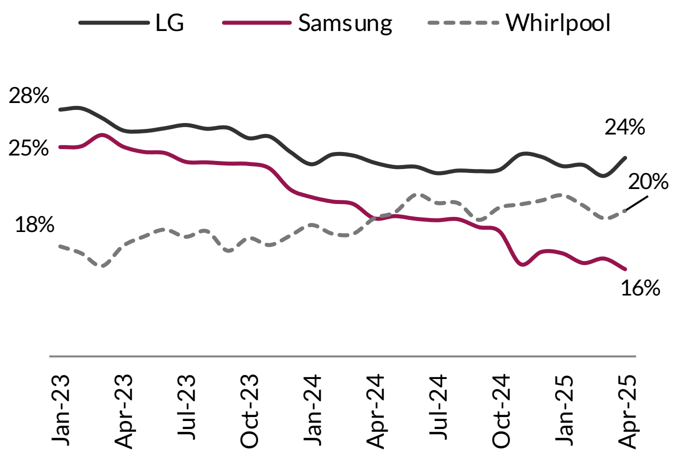
Source: Company, Axis Capital

Exhibit 9: Whirlpool – #2 player in DC refrigerators



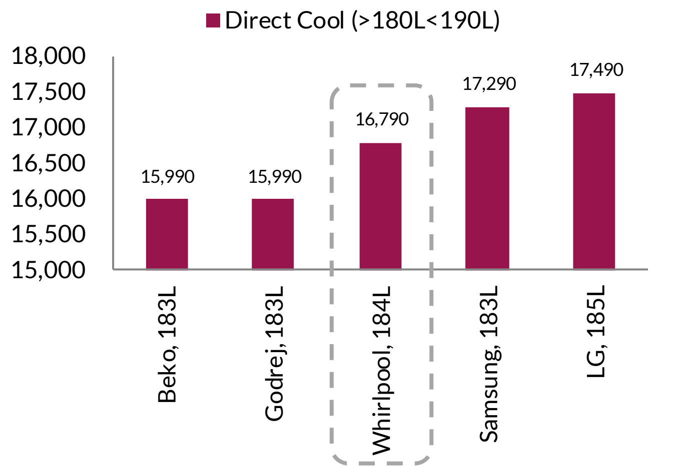
Source: Industry, Axis Capital

Exhibit 10: DC market share – Whirlpool gains, South Korean players lose



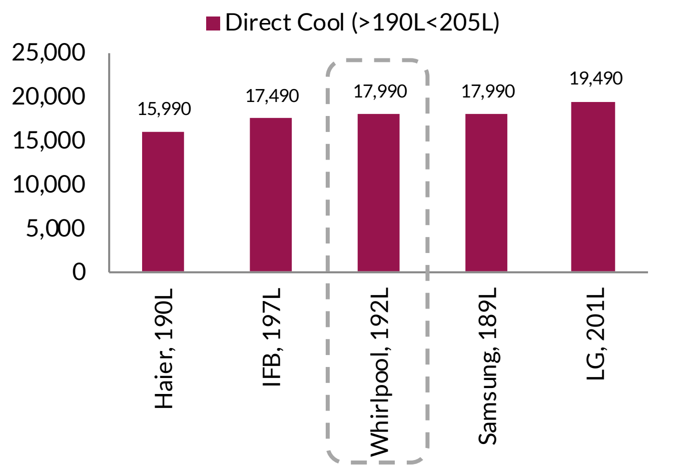
Source: Industry, Axis Capital

Exhibit 11: Whirlpool very price aggressive in <190 l DC



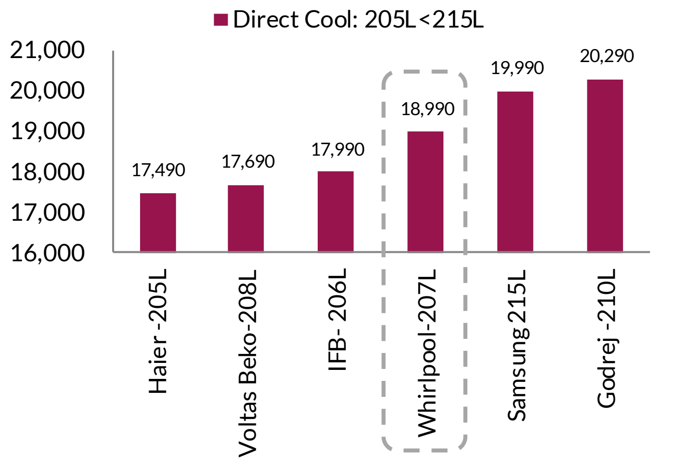
Source: Amazon, Axis Capital, 5 Star model

Exhibit 12: >190 l <201 l DC – Whirlpool leads, very few players in this range



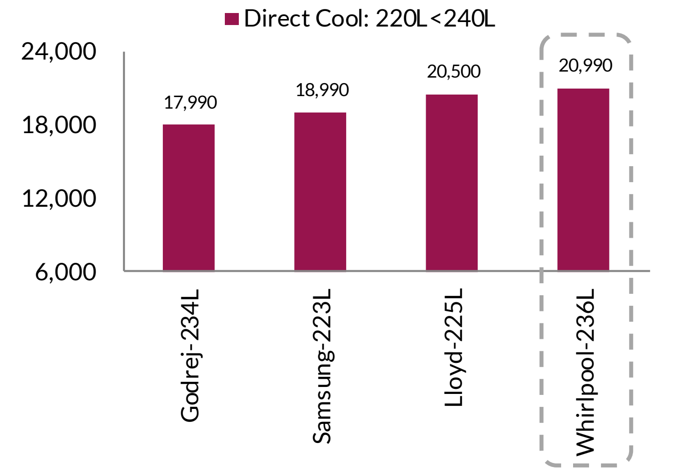
Source: Amazon, Axis Capital, 5 Star model

Exhibit 13: >205 l <215 l – Whirlpool lost market share but is ramping up



Source: Amazon, Axis Capital, 5 Star model

Exhibit 14: In this range Whirlpool offers highest capacity and 4-star rating with premium pricing



Source: Amazon, Axis Capital. Best rating available product

What went wrong with frost-free?

- Due to change in energy rating, Whirlpool had to change its strong product 245 l to 212 l, which subsequently became outdated; it was a high-margin product and the changes impacted profitability. Whirlpool was left with the 235 l (265L gross) model which faced competition from Samsung's 236 l (net).
- Moreover, Whirlpool had lower SKUs in FF, particularly in the side-by-side category (market has grown significantly), which further dented its market share in this category.

To gain market share in front-load, the company introduced a product with 5-year warranty and 3-star-rated products.

What went right in frost-free?

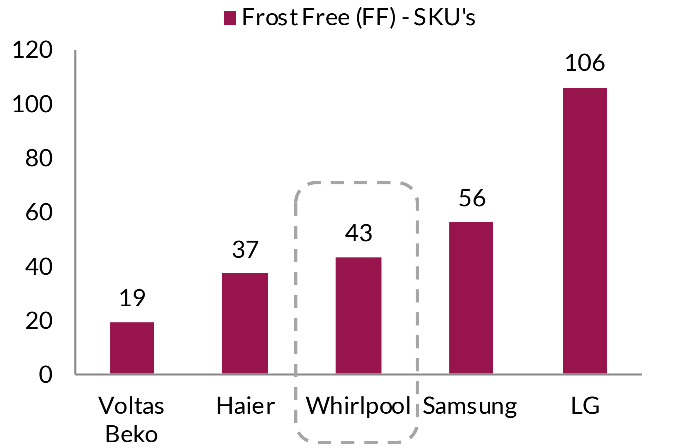
- Improved its pricing across product categories and introduced significant SKUs along with new features with focus on value addition.
- In mid-2023, it launched 265-360-l FF refrigerators with 23-min-freezer feature, the quickest in the industry.

Exhibit 15: Past few years, Whirlpool added strong SKUs in FF

Year	New launches under Frost Free
2019	W-Series Global Range was launched in India. The W-Series series refrigerators come in two formats: side-by-side and 4-door.
2020	The FF refrigerator segment saw the launch of the Intellifresh range with an advanced 5-in-1 convertible freezer. To establish a premium image, Whirlpool launched India's first Premium Metallic Grey interiors. The product also offered satin chrome trims and bins to enhance the inner aesthetics.
2021	The company has launched the Intellifresh Pro series of Bottom Mount refrigerators with Adaptive Intelligence technology that automatically senses changes in weather, load, and usage patterns and adapts the cooling accordingly.
2022	1. The company has further strengthened this product range with the introduction of the Intellifresh Pro Convertible Range of Bottom Mount refrigerators.
	2.The company has launched the Neo Fresh Range of glass-door FF refrigerators.
2023	The company launched the Intellifresh Prorange of FF refrigerators with features such as 10-in-1 convertible mode. To cater to a wide range of consumer preferences, this range has been launched in capacities of 212-327 l, available in attractive metallic and glass-door finishes.

Source: Company, Axis Capital

Exhibit 16: Whirlpool working to strengthen its FF range



Source: Company, Axis Capital

Exhibit 17: Whirlpool enjoys strong position in triple-door range but is weak in SBS and French door categories

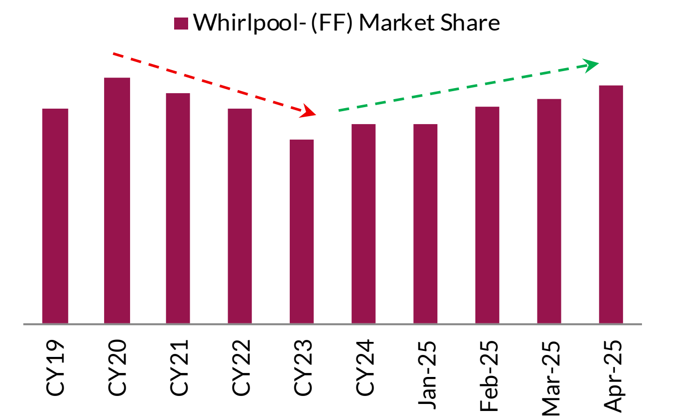
Frost Free- SKU	Whirlpool	Samsung	LG
Double Doors	33	28	55
Three Door	**5**	**2**	**2**
Bottom Mount	3	3	3
Side by Side	1	18	42
4 Door- French	1	6	4
Total	**43**	**56**	**106**

Source: Company, Axis Capital

Side by side (SBS) is overall 15% of the FF market; Whirlpool has new products in the pipeline to inch up the

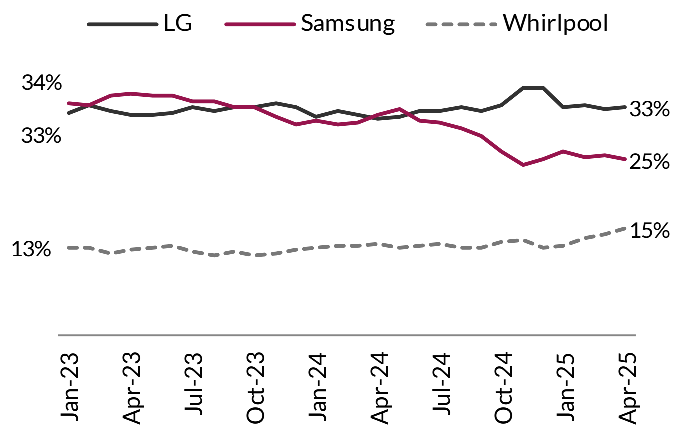
Whirlpool enjoys strong market position in 3-door

Exhibit 18: Whirlpool lost market share due to low SKUs; but with new SKU addition, it maintains market share



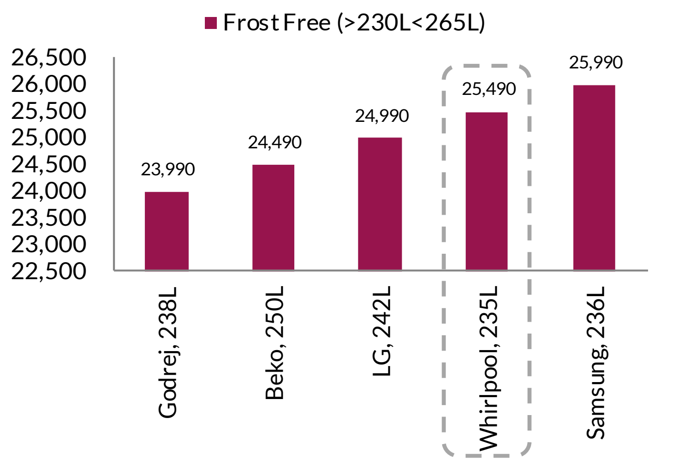
Source: Industry, Axis Capital

Exhibit 19: Whirlpool's market share in FF refrigerators rising



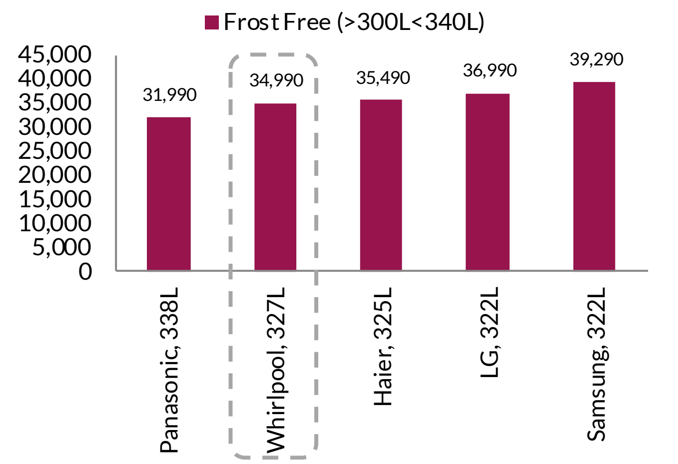
Source: Industry, Axis Capital

Exhibit 20: Whirlpool has premium pricing in FF vs peers



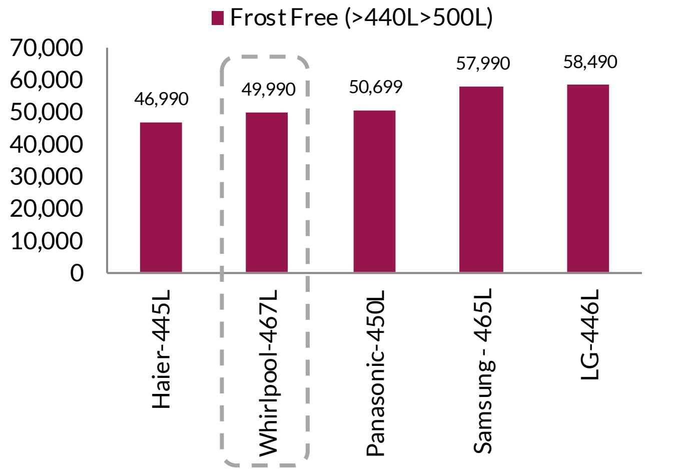
Source: Amazon, Axis Capital, 3 Star model

Exhibit 21: Whirlpool is catching up in some ranges, with focus on more SKU addition



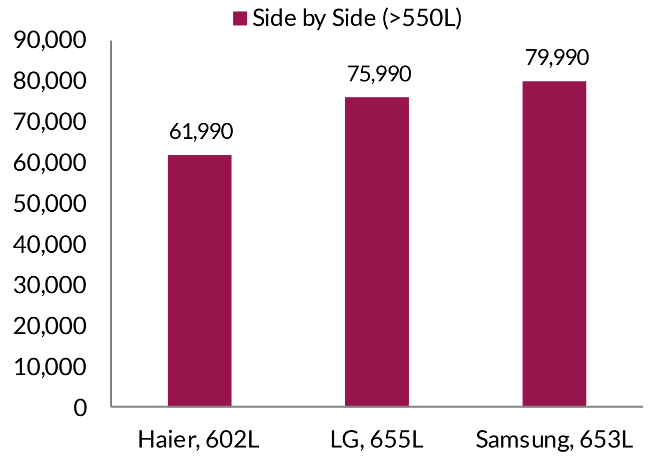
Source: Amazon, Axis Capital

Exhibit 22: Whirlpool weak in higher capacity but increasing SKUs in these ranges



Source: Flipkart, Axis Capital, 3 stars

Exhibit 23: Whirlpool working on developing side-by-side ranges

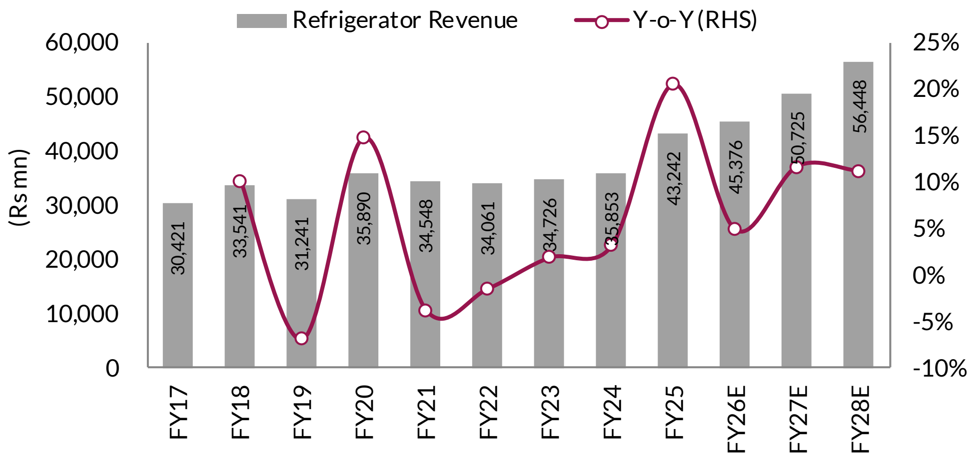


Source: Amazon, Axis Capital

Over the next two to three years, we expect Whirlpool's refrigerator revenue to see ~9% CAGR over FY25-28E, mainly on:

- increasing market share in the entry-level segment along with price improvement;
- focus on new SKU additions, both in DC and FF, with the latest technology, ahead of the industry;
- strengthened focus on adding new SKUs in capacity above 350 l, with features like triple door, French door (four doors), bottom-mount, and glass doors, to grow in the premium segment;
- leveraging manufacturing capacities to strengthen products, and better supply chain management;
- revamp of distribution with more store promoters on the ground; and
- expected revival in demand.

Exhibit 24: We expect Whirlpool's refrigerator revenue to see ~9% CAGR over FY25-28E



Source: Company, Axis Capital

Channel checks on refrigerators

- Whirlpool's refrigerator category is doing very well because of (1) affordable pricing, (2) improved product basket, (3) better margins to the channel vs other brands, (4) less complaints regarding damaged products, and (5) a smooth channel policy.
- Its double-door category is getting a strong response, but the side-by-side (SBS) category is not getting much response. Its 300-350 l category is doing extremely well now.
- In FF, glass-door models of Whirlpool and Haier are very affordable vs the South Korean models. Today, Whirlpool is on a par with the South Korean brands.
- Whirlpool's DC glass-door models have grown 3x since launch. Currently, the DC glass-door models are available with Whirlpool, IFB, and Haier.
- South Korean players are struggling due to significant changes in teams, lack of innovation, and shift towards more premium products, which are benefiting players like Whirlpool and Haier.
- Whirlpool is planning to invest in the SBS and French door categories, which would help in FF market share gain.
- Whirlpool has launched glass-door DC models in North India and is expected to launch in other regions. This is expected to result in a significant revenue contribution.
- Whirlpool has launched DC models that look larger vs that of peers. This is helping it gain market share.

Exhibit 25: Whirlpool – refrigerator portfolio

Source: Company, Axis Capital

Washing machine segment rebounds with new product addition

Whirlpool began with semi-automatic WMs. Over the years, it expanded its product range to include top-load WMs. In H2FY23, it started manufacturing front-load MWs in India, thereby further widening its product portfolio. We believe that Whirlpool is now filling up the gaps in its product portfolio with a major focus on expanding its premium category as well as offering better technology and pricing vs peers. Whirlpool invested ~Rs 1.45 bn and started manufacturing front-load WMs in Puducherry with an annual capacity of ~4,00,000 units.

To promote its Bloomwash WM (premium product), it started TV/packaging campaign with Surf Excel in Jun'24.

What changes have Whirlpool made in the past two years to gain market share?

- Launched Bloomwash 360 – WM with built-in heater to lead the market.
- In semi-automatic, it extended the warranty period from two to four years. To gain market share in front-load, t introduced a product with five-year warranty. Also, to improve its market position in the entry level, it has changed its sourcing strategy (outsourcing).
- In semi-automatic, it launched Dynamix Detergent Dispenser, which removes detergent patches. This was launched in Q1FY25, ahead of industry.

Exhibit 26: Significant ahead-of-industry launches in WMs

Year	Washing machine
2019	1. **Launched front-load WM** category by increasing the brand footprint with the successful **Made in Europe** range of SupremeCare and FreshCare washing machines.
	2. **Launched all-new range of Bloomwash Pro Series** ushered in the **premium range in the top-load WM** category with its perfect blend of form and function.
	3.The semi-automatic WM continued to show strong gains with distribution expansion and driving large capacities with the 2019 iFDesign Award winning AceXL range.
2020	1. The company **launched the widest range of 5 Star range of semi-automatic and top-load WMs** with its proprietary 6th Sense logic to provide an incomparable wash experience.
2021	1. In line with its philosophy of Everyday Care, the company has **launched the Stainwash Pro and Bloomwash Pro series of WMs with in-built heaters** that are able to remove up to 99.9%* germs, as tested by NABL-accredited labs.
	2.The company is amongst the **first ones in the market to introduce the insta-heater in a semi-automatic WM.**
2023	1. Entered the **premium front-load category with the launch of the XpertCare range.**
	2. The company **launched a new range of top-load fully automatic MWs**. The all-new Stainwash Pro range is powered by 6th Sense Stainwash Technology and an in-built heater that removes up to 99.9% germs and allergens* and up to 40 tough stains*.
	3. The company **launched the all-new Hydrowash semi-automatic washing machine** range with 3D Wave Technology.
2024	1. **Launch of the all-new 4-year comprehensive warranty from Jan'24** is aimed to strengthen peace of mind and is driving competitive advantage through enhanced trust in the minds of the consumers. The company has **also extended the comprehensive warranty period of its front-loading range to 5 years**, making it the best-in-class warranty offering in the market.

Source: Company, Axis Capital

Exhibit 27: TV advertisement to promote top-load Bloomwash

Source: Company, Axis Capital

Exhibit 28: Promotion of key products with Surf Excel packaging

Source: Company, Axis Capital

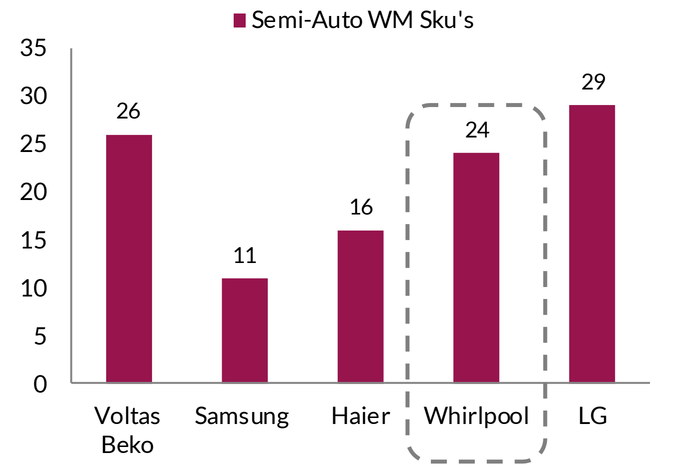
According to our channel checks, South Korean players LG and Samsung are focusing on higher capacities in semi-automatic and hence losing market share to Voltas Beko and Whirlpool.

Exhibit 29: Whirlpool goes very aggressive in semi-automatic

Semi – Automatic	Voltas Beko		Whirlpool		Samsung		LG	
	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating
6kg/6.5Kg	8,100	3.7	**8,990**	**4.2**	9,390	3.9	9,990	4.2
7kg	8,890	3.7	**9,490**	**4.3**	10,490	4.3	10,990	4.3
8/8.5kg	10,750	3.9	**12,490**	**4.1**	12,750	4.1	14,490	4.3
9kg	12,190	4	**13,990**	**4.1**	14,900	5	NA	NA

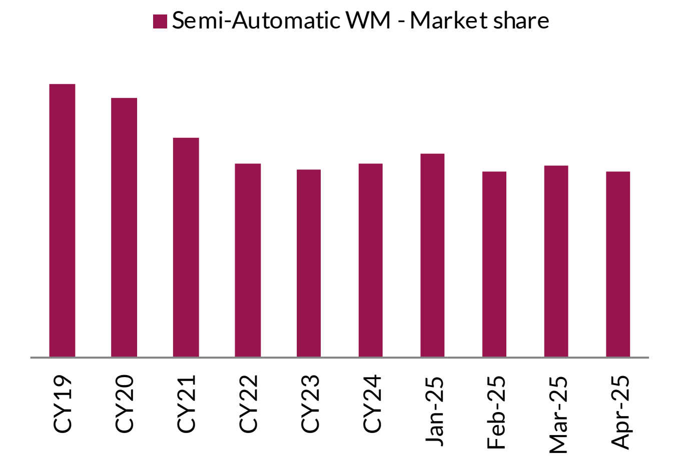
Source: Amazon, Axis Capital

Exhibit 30: Whirlpool has strong SKUs in semi-automatic



Source: Company, Axis Capital

Exhibit 31: Market share trend in WM – Whirlpool



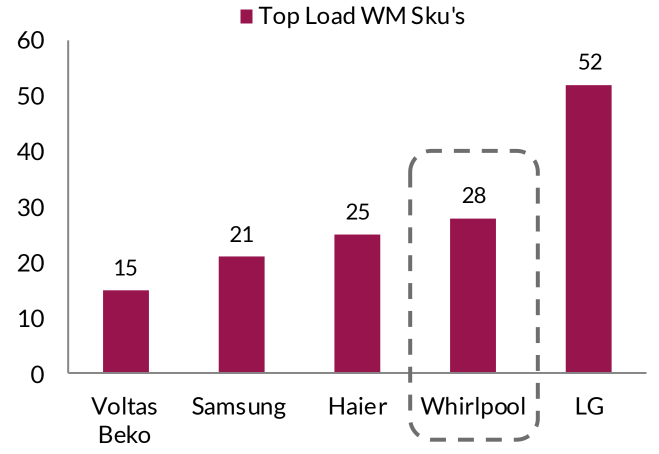
Source: Industry, Axis Capital

Exhibit 32: In FATL – Whirlpool's pricing is aggressive amongst top players

Fully Automatic-Top Load	Whirlpool		Samsung		LG		IFB	
	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating
6kg/6.5kg	**13,790**	**3.9**	NA	NA	16,490	4.2	16,990	3.8
7kg	**14,490**	**4**	17,490	4.1	17,490	4.2	17,990	3.8
8kg	**18,990**	**4**	19,490	4.1	19,490	4.1	22,990	3.8
9kg	**22,990**	**4**	23,990	4.3	24,990	4.3	32,990	4.2
10kg	**24,990**	**4**	29,500	3.6	32,990	4.1	31,490	4.2

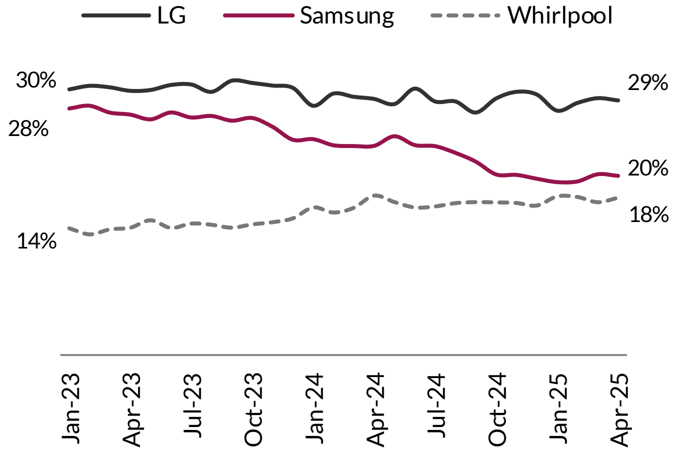
Source: Amazon, Axis Capital

Exhibit 33: With strong SKUs, Whirlpool gains market share



Source: Company, Axis Capital

Exhibit 34: Whirlpool gains market share in FATL



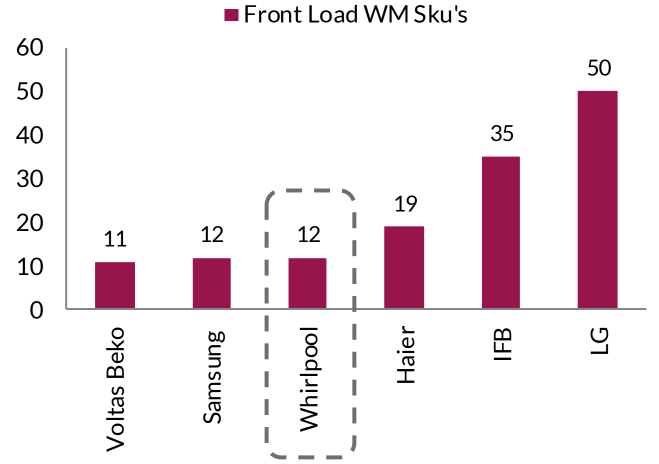
Source: Industry, Axis Capital

Exhibit 35: Whirlpool strengthens its front-load category with new manufacturing in place

Fully Automatic-	Whirlpool		Samsung		LG		IFB	
Front Load	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating	Price	Amazon Rating
7kg	**25,990**	**3.9**	29,990	4.3	29,990	4.2	28,990	4
8kg	29,990	4	37,990	4.2	34,990	4.2	37,390	4.2
9kg	**35,990**	**4**	37,990	4.3	38,990	4.2	38,590	4
10kg	**NA**	**NA**	NA	NA	46,990	3.7	48,590	4.4

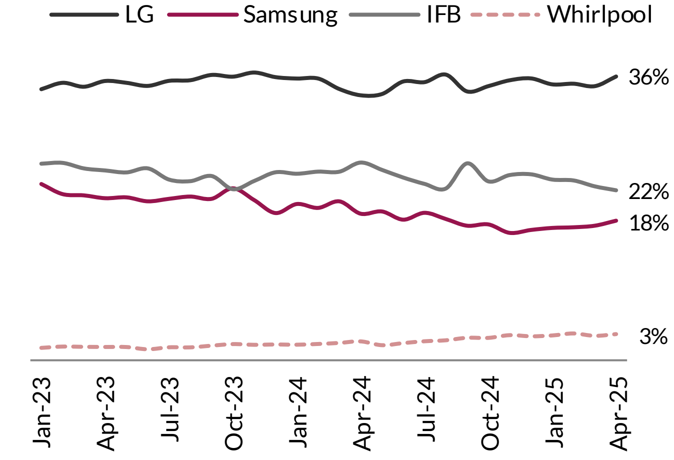
Source: Amazon, Axis Capital

Exhibit 36: Whirlpool working on improving product portfolio



Source: Company, Axis Capital

Exhibit 37: Whirlpool has low-single-digit share in FAFL

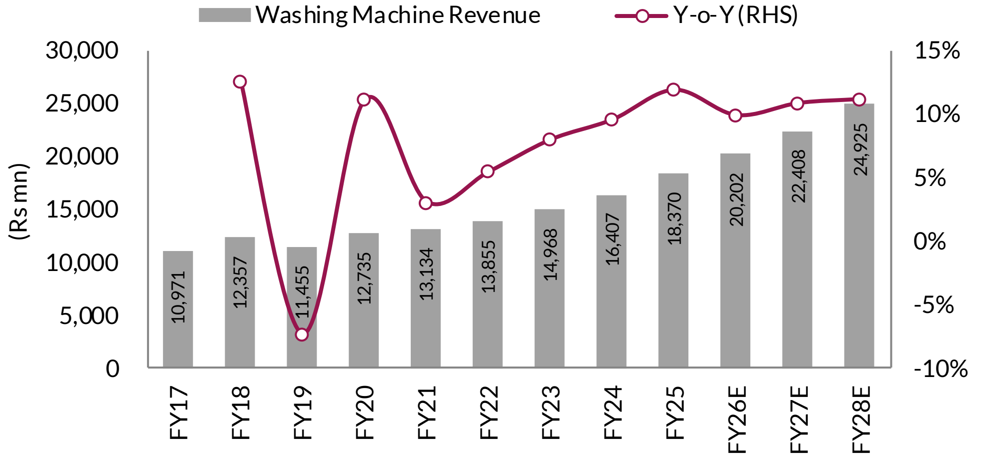


Source: Industry, Axis Capital

We expect WM revenue CAGR of ~11% over FY25-28E, driven by

- Improving products across verticals
- Increasing share of premium products like front-load WM with in-house manufacturing
- Improvement in channel incentives along with product warranties
- Revamping distribution with more store promoters on ground
- Expected revival in demand

Exhibit 38: We expect WM CAGR of ~11% over FY25-28E



Source: Company, Axis Capital

Channel checks for WM

- Whirlpool is aggressive in front-load WMs across regions.
- Samsung and LG are struggling more in South India, as they do not have products in entry-level segment and as a result are losing to Whirlpool and Haier.
- To lift market share, Whirlpool is pricing its products lower than LG's.
- With the introduction of a four-year warranty, it will be able to inch up its market share, as the South Korean players offer only two-year warranty.
- Samsung and IFB lost market share in front-load WM to LG. However, Whirlpool has started taking some share from LG now with its new FL SKUs.
- Whirlpool introduced a five-year warranty on the front-load category, which is ahead of the industry, and with further work on pricing, it can grow the segment ahead of industry.
- In front-load, the company has taken pricing actions to push volumes.

Exhibit 39: Semi-automatic model with additional 2-year warranty

Source: Company, Axis Capital

Exhibit 40: Front-load – 5-year exclusive warranty (vs peers' 2 years) to increase market share

Source: Company, Axis Capital

Exhibit 41: Fully automatic top-load top-selling models

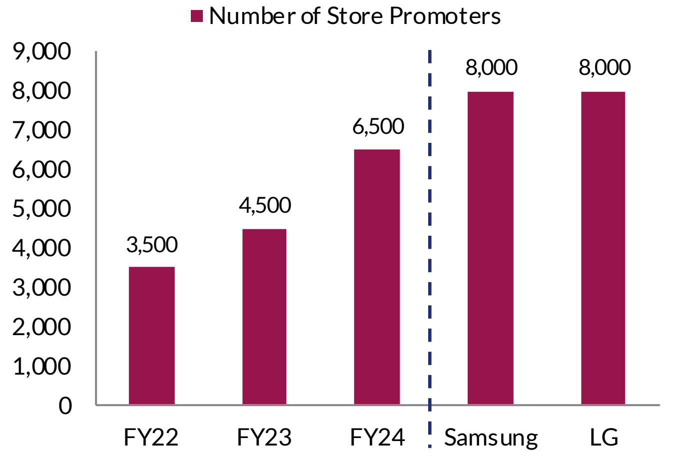
Source: Company, Axis Capital

Revamps distribution strategy to increase penetration

We believe that with operating leverage, new promoters addition can generate OPM of 8-10%

- **(1) Adding store promoters to increase revenue potential:** As per our channel checks, Whirlpool has added ~2,000 store promoters over the past one and a half years to lift its market share across products. Earlier, this strategy was missing, resulting in the channel's low confidence. However, with new management and this strategy, the channel is confident that store promoters will add significantly to revenue.

Exhibit 42: Whirlpool has been aggressive in store promoter addition, adding ~2,000 store promoters over FY22-24



Source: Axis Capital estimates

Exhibit 43: Revenue & margin potential from new store promoters addition

Store Promoter calculation	
New Promoters addition	**2,000**
Salary per month per Promoter (Rs)	20,000
Total Salary (Rs Mn)	480
Sales per month per Promoter	6,00,000
Total sales from promoters in a year (Rs Mn)	**14,400**
Gross Margin	35%
Other Expenses*	24%
OPM ex Salary	**11.00%**
EBITDA Ex Salary (Rs Mn)	1,584
Employee Expenses (INR Mn)	480
Total EBITDA from Promoters (Mn)	**1,104**
% margin *	**7.7%**

Source: Axis Capital estimates; *Not factoring operating leverage

Exhibit 44: What will change with new incentive structure – Axis Capital working

Region	Earlier				Now			
	Turnover (Rs Mn)	Growth-B	Weight-C	Incentive (B*C)	Turnover	Growth-B	Weight-C	Incentive (B*C)
Global	1000	7%	0.3	**2%**	1000	7%	0	**0%**
India	100	10%	0.2	**2%**	100	10%	0	**0%**
West - A	50	15%	0.5	**8%**	50	15%	1	**15%**
% of Incentive to be paid -D				**12%**	**% of Incentive to be paid -D**			**15%**
Amount of Incentive to be paid (A*D)				**5.8**	**Amount of Incentive to be paid (A*D)**			**7.5**

Source: Axis Capital Estimates

Exhibit 45: New team addition in Whirlpool

Name & Designation	**Joined on**	**Previous Organisation & Designation**
Narasimhan Eswar-MD	Mar-23	CEO- KI Mobility Solutions, Reckitt, P&G
Charu Agarwal-Director FP&A	May-23	Finance Head- Udaan
Anisha Sharma - Director Marketing	May-21	VP Marketing, Amway India

Source: Linkedin Axis Capital

Exhibit 46: Departure of senior team members in Samsung and LG

Samsung		**LG**	
Name & Designation	**Left on**	**Name & Designation**	**Left on**
Kunal Agrawal - Head Operation	Jan-24	Amit Gujral - CMO	Nov-19
Nithianand Sellathurai-Head Sourcing	Mar-21	Nitin Malik- Head Moder Trade	Nov-21
Kunwar Raj Singh - West Head	Jan-20	Ashutosh Agrawal- AGM Marketing	Apr-24
Nikhil Kaura-DGM Strategy	Apr-23	Shailendra Chothe- AGM Quality	Mar-23

Source: Linkedin Axis Capital

Acquired Elica to explore new market opportunities

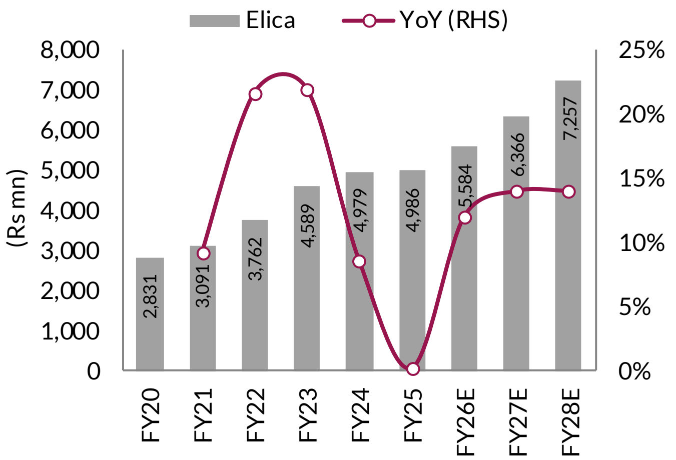
To cater to opportunities in small appliances – premium categories like kitchen chimneys, hobs, and ovens – Whirlpool acquired ~49% stake in Elica PB India Private Limited (Elica) for a consideration of ~Rs 1,749 mn in FY19. Elica is primarily engaged in the manufacture, assembly, and trading of an extensive range of kitchen appliances such as kitchen hoods, gas hobs, and cooktops. In FY21, Whirlpool bought an additional ~38.25% stake in Elica Whirlpool for a consideration of Rs 4,248 mn, taking its total shareholding in Elica Whirlpool to 87.25%. Elica Whirlpool has strong capabilities in local manufacturing, innovation, distribution, and brand awareness, which will help Whirlpool as a mass-premium cooking brand.

Exhibit 47: Elica Whirlpool enjoys a strong market position in chimneys

Chimney	Elica	Faber	Kaff	Glen	Sunflame
Market Share*	20%	23%	11%	9%	8-10%
Price (INR)	10,999	12,170	11,999	10,790	11,646
Amazon Rating	**4.6**	4.5	4	4.1	3.6
Features	1) Filter less, suction capacity of 1200 m3/hr. Size 60cm 2) Auto Clean and Motion sensor 3) Warranty: 5 years on Motor and 2 years on product.	1) Auto Clean Blower1200 m^3/hr. (Two-Way Suction), Size 60cm 2) 8 Yrs Warranty on Motor and 2 Yrs Con product	1) Filter Less + Dry Heat Auto Clean Technology, Air flow (up to): 1180 Nm3/h, Size: 60cm	1) Motion sensor, Filter less and cleaning filters, airflow of 1200m^3/hr. 2) 7 Year warranty on motor and 1 year on product.	1) Filter less, Auto Clean and suction power of 1250 m^3/hr. 2) 1-year on the product and a 5-year coverage on the motor.

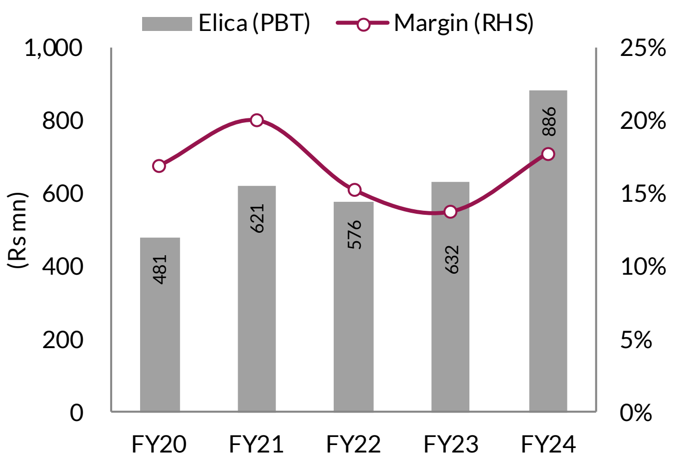
Source: Amazon, Axis Capital , *our estimate

Exhibit 48: Elica Whirlpool's revenue saw ~12% CAGR over FY20-25; we expect ~13% CAGR over FY25-28E



Source: Company, Axis Capital

Exhibit 49: Elica Whirlpool's profitability is strong due to premium products



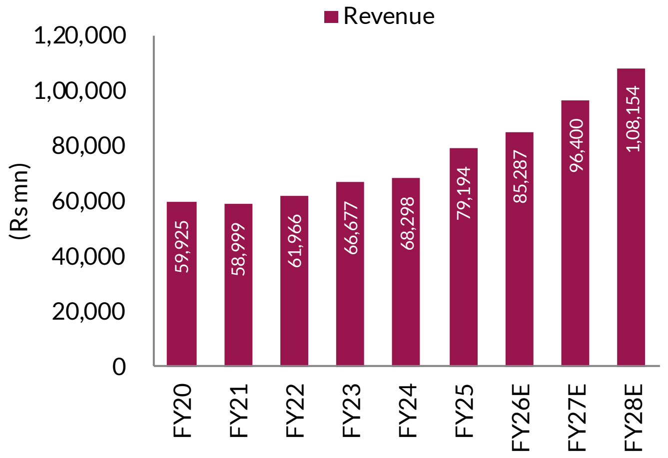
Source: Company, Axis Capital

Financial analysis

Revenue: We expect a CAGR of 11% over FY25-28E, driven by

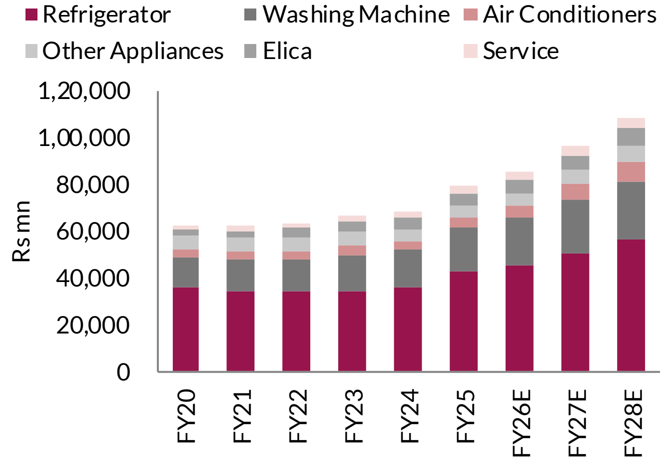
- Strong focus on developing/expanding product basket
- Revamping distribution strategies to increase market reach
- Adding more store promoters on the ground to build channel confidence
- Aggressive spending on promoting new products
- Positioning Elica Whirlpool to explore new market potential

Exhibit 50: We expect ~11% revenue CAGR over FY25-28E



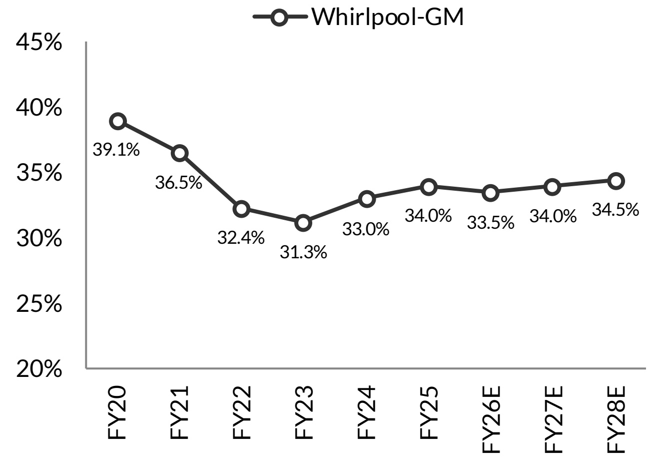
Source: Company, Axis Capital

Exhibit 51: Growth will be across categories



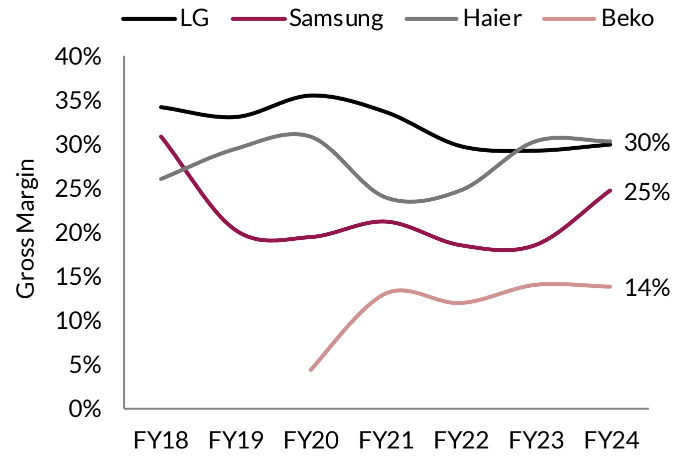
Source: Company, Axis Capital

Exhibit 52: Gross margin to improve going ahead with increasing share of premium product



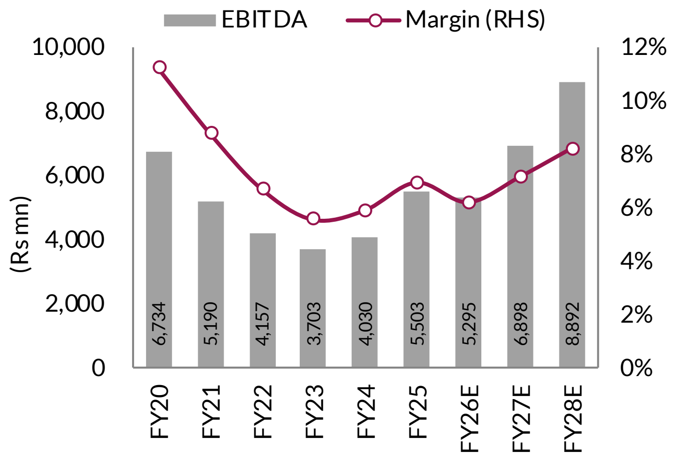
Source: Company, Axis Capital

Exhibit 53: Peers' gross margins are lower than Whirlpool's



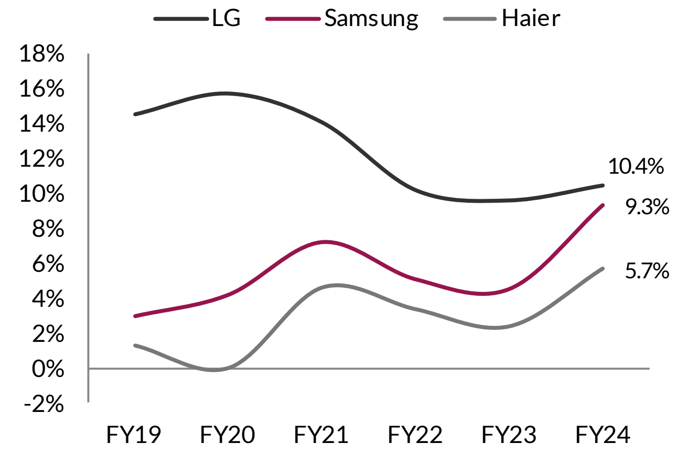
Source: Company, Axis Capital

Exhibit 54: EBITDA CAGR of ~17%, driven by cost programs (P4G) and operating leverage



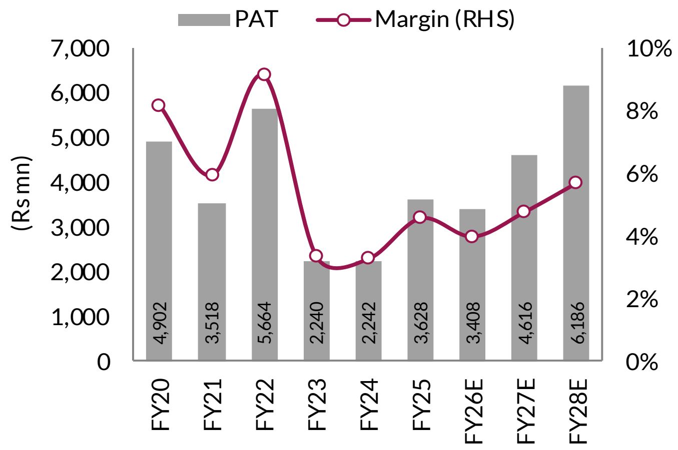
Source: Company, Axis Capital

Exhibit 55: Peers' EBITDA margins: South Korean companies like LG/Samsung focus on premium portfolio, hence their margins are higher than Whirlpool's



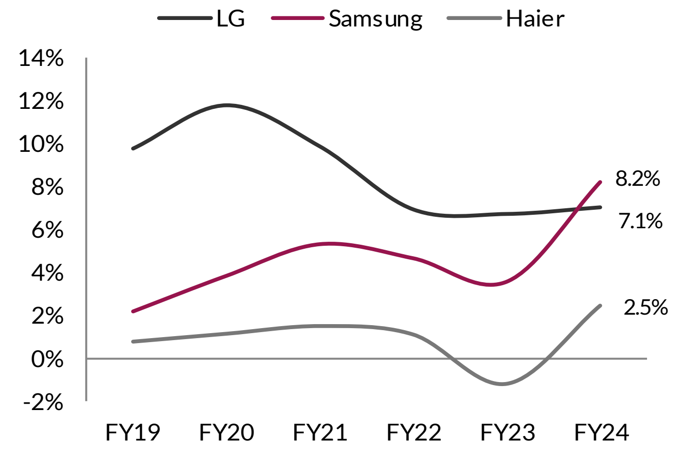
Source: Company, Axis Capital

Exhibit 56: PAT CAGR of ~19% over FY25-28E



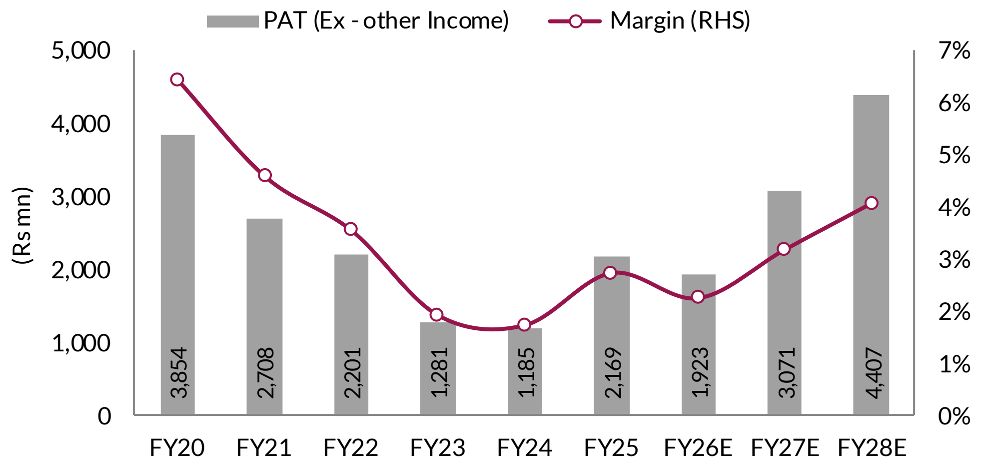
Source: Company, Axis Capital

Exhibit 57: Peers' PAT margins



Source: Company, Axis Capital

Exhibit 58: Whirlpool to see PAT (Ex other income) CAGR of ~27% over FY25-28E



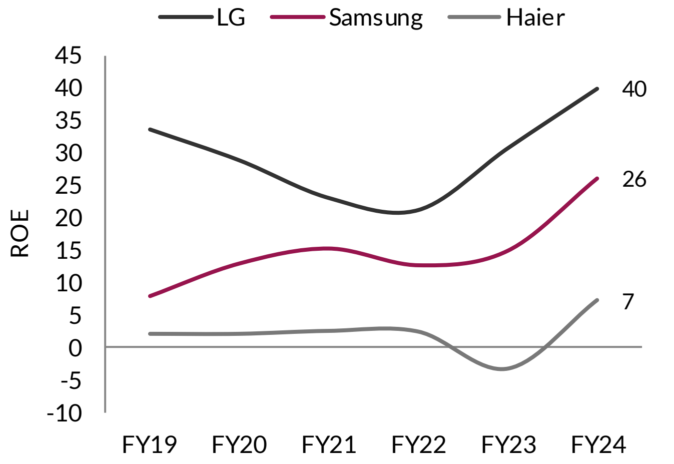
Source: Company, Axis Capital

Exhibit 59: DuPont analysis: RoE expansion driven by profitability and better asset turns

Duo-point Analysis	FY23	FY24	FY25	FY26E	FY27E	FY28E
PAT Margin	3%	3%	5%	4%	5%	6%
Asset Turnover (x)	1.8	1.8	2.0	2.0	2.1	2.1
Leverage (x)	1.1	1.0	1.0	1.0	1.0	1.0
ROE	6.4%	6.1%	9.2%	8.1%	10.0%	11.9%

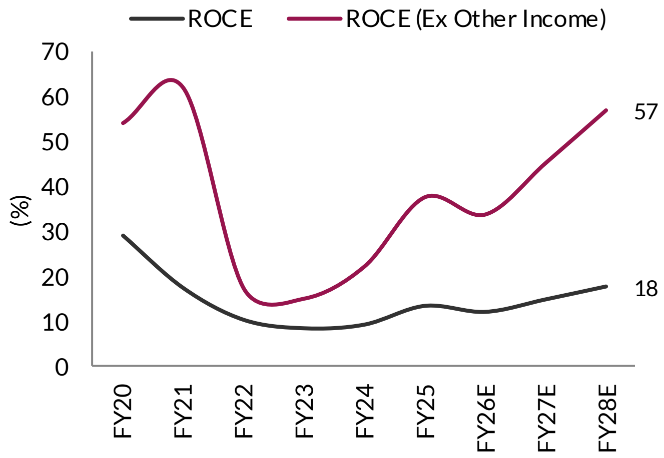
Source: Company, Axis Capital

Exhibit 60: Peers' RoE trend over FY18-23



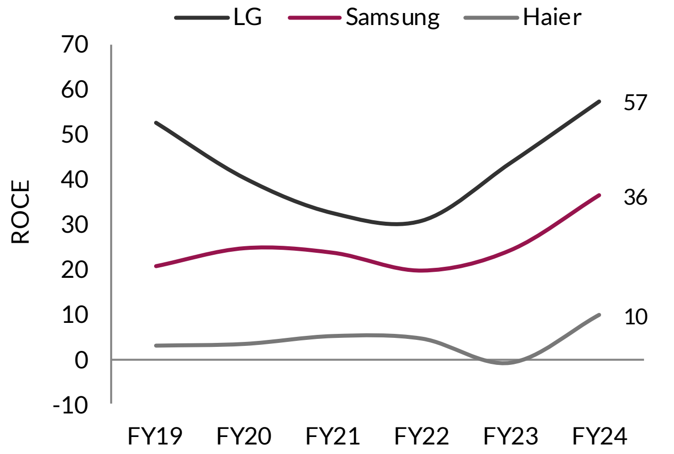
Source: Company, Axis Capital

Exhibit 61: Whirlpool has a strong RoCE profile



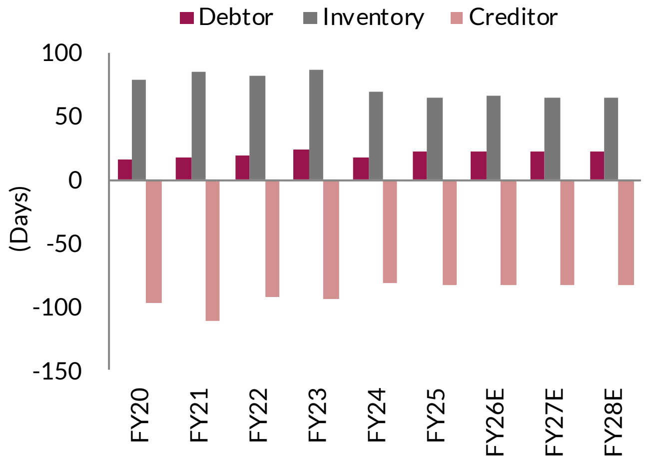
Source: Company, Axis Capital

Exhibit 62: Peers' RoCE trends



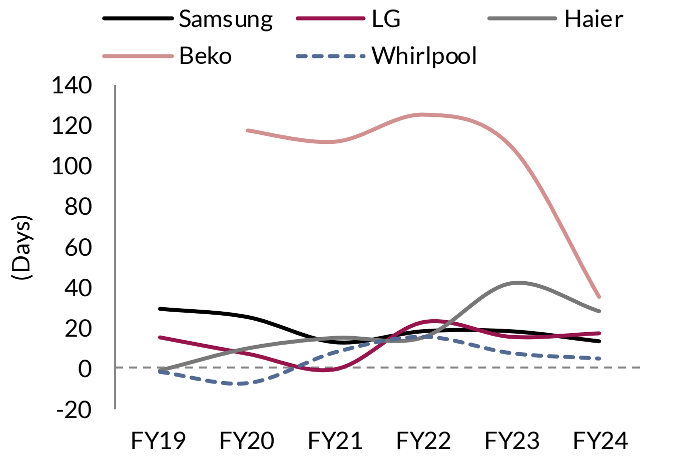
Source: Company, Axis Capital

Exhibit 63: Strong working capital management led to strong cashflows



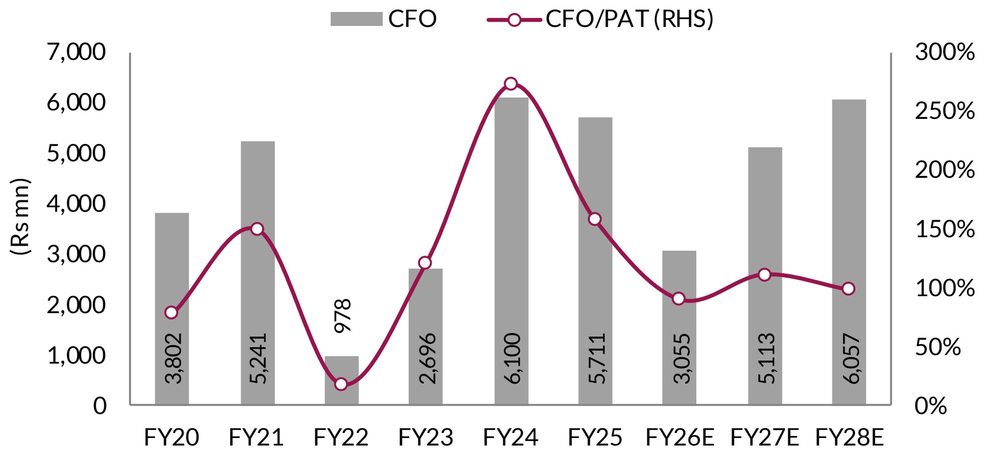
Source: Company, Axis Capital

Exhibit 64: Whirlpool's working capital lower than peers'



Source: Company, Axis Capital

Exhibit 65: Whirlpool generates ~100% cash yield



Source: Company, Axis Capital

Peer comparison

Exhibit 66: Peer comparison – on like-to-like segment basis

Companies	FY19	FY20	FY21	FY22	FY23	FY24	CAGR - 5 Yr
Revenue (Rs Mn) *							
LGEIL	1,09,049	1,14,780	1,08,574	1,24,182	1,50,307	1,56,797	8%
Samsung	74,082	78,328	79,120	99,812	1,18,444	1,13,884	9%
Whirlpool	47,555	53,192	53,809	57,809	62,973	64,268	6%
Haier**	29,795	35,501	33,744	44,889	54,289	63,055	16%
Voltas Beko	994	2,902	6,369	9,445	11,018	16,029	74%
EBITDA/EBIT (Rs Mn) *							
LGEIL	16,015	18,443	15,345	11,747	12,998	16,743	1%
Samsung	3,507	3,043	1,069	1,719	-2,386	3,730	1%
Whirlpool	6,422	6,734	5,190	4,157	3,703	4,030	-9%
Haier**	376	-7	1,548	1,500	1,282	3,575	57%
Voltas Beko	-1,023	-1,445	-1,033	-1,549	-1,576	-1,698	NA
EBITDA/EBIT (Margin)*							
LGEIL	14.7%	16.1%	14.1%	9.5%	8.6%	10.7%	
Samsung	4.7%	3.9%	1.4%	1.7%	-2.0%	3.3%	
Whirlpool	13.5%	12.7%	9.6%	7.2%	5.9%	6.3%	
Haier**	1.3%	0.0%	4.6%	3.3%	2.4%	5.7%	
Voltas Beko	-102.9%	-49.8%	-16.2%	-16.4%	-14.3%	-10.6%	
PAT (Margin)***							
LGEIL	15,345	18,544	15,290	11,747	13,449	15,111	0%
Samsung	15,405	29,026	40,409	38,449	34,501	81,887	40%
Whirlpool	4,097	4,902	3,518	5,664	2,240	2,242	-11%
Haier**	235.9	411.6	511.8	502.9	-635.1	1555.5	46%
Voltas Beko	-987	-1,465	-1,311	-2,223	-2,507	-2,671	NA

Source: Company, Axis Capital, * Samsung & LGEIL – we have taken Revenue & EBIT of Home Appliances division and for rest is actual revenue & EBITDA.
**Haier CY is treated as next FY. ***PAT is total and not segmental

According to our recent checks, in past one year, Whirlpool started aggressive selling of RACs in South India

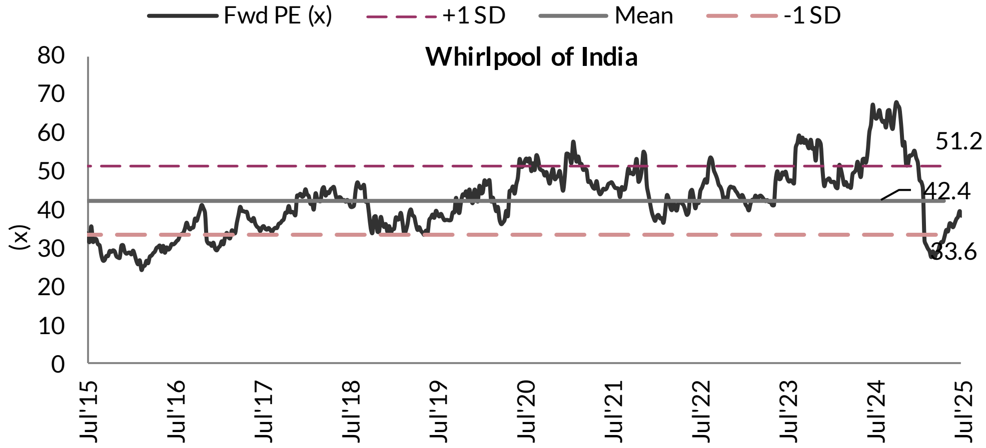
Outlook and valuation

Whirlpool enjoys leadership (amongst the Top 3 players) across WMs, refrigerators, and kitchen cooking appliances (through Elica Whirlpool). We expect Whirlpool to gain market share and improve profitability over the next two to three years, driven by:

- Refrigerators: Strengthening its market position in DC with significant new launches, improving pricing, focusing on launching premium ranges of FF.
- WMs: Extending warranty in semi-automatic; introducing front-load with five-year warranties and expanding products in top-load.
- Increasing store promoters and incentive structure to channel and sales.
- Tapping new opportunities in the premium kitchen segment.
- Clarity on parent stake sale will lead to increased focus on the Indian market.

Hence, we expect revenue/earnings CAGRs of 11/19% over FY25-28E. Whirlpool has strong brand recall, strong balance sheet, and working capital management. We expect OCF/FCFF of Rs 14 bn/7.7 bn over FY26-28E and RoCE/RoCE (ex-cash) of 18/57% in FY28E. We value Whirlpool at a P/E of 35x on Sep'27E EPS (lower multiple mainly because of lack of clarity on parent stake sale) and initiate with an ADD rating and a TP of Rs 1,490.

Exhibit 67: 1-year P/E chart – Whirlpool trades below 10-year average P/E



Source: Company, Axis Capital

Key risks

- Complete stake sale by parent may impact technology partnerships.
- Increase in inflation and interest rates may impact buying decisions.
- Increase in competition.
- Delays in innovations and introducing new products.

Annexure 1: About the company

Whirlpool owns three state-of-the-art manufacturing facilities in Faridabad (WM, refrigerator, other home appliances), Pondicherry (WM), and Pune (refrigerator).

Whirlpool entered India in the late 1980s as part of its global expansion strategy. It forayed into the market with a JV with the TVS group and established the first Whirlpool manufacturing facility in Pondicherry for WMs. In 1995, Whirlpool acquired Kelvinator India Limited, marking an entry into the refrigerator market as well, and made acquisition of major shares in the JV with TVS. In 1996, the Kelvinator and TVS acquisitions were merged to create Whirlpool of India Limited. This expanded the company's portfolio in the Indian subcontinent to WMs, refrigerators, microwave ovens, and air-conditioners.

Whirlpool's journey in India

- **1980:** Formed JV with TVS group for WMs.
- **1995:** Acquired Kelvinator to foray into refrigerator.
- **2018:** Acquired a 48% stake in Elica PB India, a manufacturer of kitchen cooktops/kitchen appliances.
- **2022:** Acquired an additional 38.25% share in Elica PB Whirlpool Kitchen Appliances Private Limited.
- Strong management to drive the business ahead.

Exhibit 68: Management team

Name	Designantion	Since	Qualification
Mr Arvind Uppal	Chairman	2005	Mr Arvind Uppal was appointed as Managing Director of the Company effective from 16 Feb 2005. Mr Arvind Uppal is a B.Tech from IIT Delhi and is a post-graduate in Management from the Faculty of Management Studies, Delhi. He has over 32 years of experience in Business Development, International Marketing and General Management. Prior to joining Whirlpool he was with Nestle in India and overseas. He was appointed as Chairman of your Company effective from 27 Jan'10. He is a Director on the Board of other Indian Companies, i.e. Gulf Oil, Eureka Forbes and Amber Enterprises Limited. With effect from 1 Jan'18 he was Chairman & Non - Executive Director of Whirlpool of India Limited. Further, with effect from 17 Aug'21 he has been appointed as Chairman and Independent Director of the Company.
Mr Narashimhan Eswar	Managing Director	2023	Mr Narasimhan Eswar has been appointed as Managing Director, Whirlpool of India Limited with effect from 4 Apr'23. Mr. Eswar holds a bachelor's degree in mechanical engineering from Indian Institute of Technology (BHU), Varanasi and a postgraduate degree in management from the Indian Institute of Management, Ahmedabad. He has joined the Company from Ki Mobility Solutions Private Limited, where he was Chief Executive Officer and President. Mr. Eswar has experience of around 30 years of building brands and businesses, mostly with Procter & Gamble and then Reckitt Benckiser in leadership roles in marketing and management across India, South Africa, Switzerland, UK, Spain, Hong Kong and Thailand.
Mr Aditya Jain	Chief Financial Officer	2020	Mr Aditya Jain, aged 42 years, in his 21 years of professional experience, has worked with reputed organisations like Pepsico India, ICICI Paints, Gillete etc in various roles like accounting, financial planning and analysis, commercial finance, controllership etc. Mr Jain joined Whirlpool in 2011 and has handled various diverse roles. Currently, he is holding the position of VP-Asia Finance. He is a member of Institute of Chartered Accountants of India (ICAI) and Institute of Company Secretaries of India (ICSI).
Ms Roopali Singh	Sr. Director Legal and Company Secretary	2017	Heading the compliance at Whirlpool of India. She is a certified Company Secretary from ICSI.

Source: Company, Axis Capital

Annexure 2: Whirlpool Corporation – financials and stake sale

Exhibit 69: Whirlpool Corporation financials snapshot

In USD Mn	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue	**18,143**	**18,769**	**19,872**	**20,891**	**20,718**	**21,253**	**21,037**	**20,419**	**19,456**	**21,985**	**19,724**	**19,455**	**16,607**
Growth (YoY)	-2.8	3.5	5.9	5.1	-0.8	2.6	-1	-2.9	-4.7	13	-10.3	-1.4	-14.6
EBITDA	**1,420**	**1,789**	**1,748**	**1,910**	**2,023**	**1,790**	**924**	**2,372**	**2,419**	**3,076**	**-363**	**1,611**	**897**
Growth (YoY)	5.2	26	-2.3	9.3	5.9	-11.5	-48.4	156.7	2	27.2	—	—	-44
Net Income/Net Profit (Losses)	**401**	**827**	**650**	**783**	**888**	**350**	**-183**	**1,184**	**1,075**	**1,783**	**-1,519**	**481**	**-323**
Growth (YoY)	2.8	106.2	-21.4	20.5	13.4	-60.6	—	—	-9.2	65.9	—	—	—
Cash From Operations	**696**	**1,262**	**1,479**	**1,225**	**1,203**	**1,264**	**1,229**	**1,230**	**1,500**	**2,176**	**1,390**	**915**	**835**
Growth (YoY)	31.3	81.3	17.2	-17.2	-1.8	5.1	-2.8	0.1	22	45.1	-36.1	-34.2	-9
Short- and Long-Term Debt	**2,461**	**2,463**	**4,347**	**3,998**	**4,470**	**5,218**	**6,027**	**5,937**	**6,381**	**6,207**	**8,367**	**7,214**	**6,608**
Growth (YoY)	-1.2	0.1	76.5	-8	11.8	16.7	15.5	-1.5	7.5	-2.7	34.8	-4.4	-8
Net Debt	**1,293**	**1,083**	**3,321**	**3,226**	**3,385**	**4,022**	**4,529**	**3,985**	**3,457**	**3,163**	**6,409**	**5,644**	**5,333**
Growth (YoY)	-6.4	-16.2	206.6	-2.9	4.9	18.8	12.6	-12	-13.2	-8.5	102.6	0.4	-6
Capital Expenditures/Prop Add	-476	-578	-720	-689	-660	-684	-590	-532	-410	-525	-570	-549	-451
Growth (YoY)	-21.7	21.4	24.6	-4.3	-4.2	3.6	-13.7	-9.8	-22.9	28	8.6	-3.7	-18

Source: Bloomberg, Axis Capital

Debt increase on loan taken to acquire InSinkErator for USD 2.5 bn.

Whirlpool Corporation reduced its holding from 75% to 51% by stake sales in FY24; it intends to further reduce stake to 20% in CY25.

Exhibit 70: Stake sale in past 5 years by Whirlpool Corporation

Stake Sale	Year	Consideration (USD Mn)	Comments
Sold Embraco (Brazil) compressor business	2019	1,080	Nil
Entered agreement to sell its Turkish (Middle East) subsidiary to Arçelik.	2021	93	Recognized a loss on sale of USD 164Mn.
Guangdong Galanz Household Appliances Manufacturing Co., Ltd. ("Galanz") announced its intention to pursue a tender offer for majority control of Whirlpool China Co. Ltd.	2021	193	Nil
Entered into agreement to sell Russia Business.	2022	-	Recognised impairment charge of $333 Mn
Sold c.24% of Stake in Whirlpool of India. Utilise the proceds to pay off the debt	2024	468	Nil
Total		**1,834**	

Source: Company, Axis Capital

Financial summary (Consolidated)

Profit & Loss (Rs mn)

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Net sales	68,298	79,194	85,287	96,400	1,08,154
Other operating income	-	-	-	-	-
Total operating income	**68,298**	**79,194**	**85,287**	**96,400**	**1,08,154**
Cost of goods sold	(45,757)	(52,248)	(56,716)	(63,624)	(70,841)
Gross profit	22,541	26,946	28,571	32,776	37,313
Gross margin (%)	33	34	34	34	35
Total operating expenses	(18,511)	(21,443)	(23,276)	(25,878)	(28,421)
EBITDA	**4,030**	**5,503**	**5,295**	**6,898**	**8,892**
EBITDA margin (%)	6	7	6	7	8
Depreciation	(2,103)	(2,132)	(2,275)	(2,326)	(2,526)
EBIT	**1,927**	**3,372**	**3,021**	**4,572**	**6,366**
Net interest	(302)	(448)	(440)	(449)	(450)
Other income	1,638	1,908	1,994	2,074	2,387
Profit before tax	**3,262**	**4,831**	**4,575**	**6,196**	**8,303**
Total taxation	(830)	(1,273)	(1,167)	(1,580)	(2,117)
Tax rate (%)	25	26	26	26	26
Profit after tax	2,432	3,558	3,408	4,616	6,186
Minorities	-	-	-	-	-
Profit/ Loss associate co(s)	-	-	-	-	-
Adjusted net profit	2,432	3,558	3,408	4,616	6,186
Adj. PAT margin (%)	4	4	4	5	6
Net non-recurring items	(190)	70	-	-	-

Balance Sheet (Rs mn)

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Paid-up capital	1,269	1,269	1,269	1,269	1,269
Reserves & surplus	35,617	38,229	41,003	44,984	50,536
Net worth	36,886	39,498	42,271	46,253	51,805
Borrowing	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Total liabilities	**38,435**	**39,904**	**42,678**	**46,659**	**52,211**
Gross fixed assets	23,133	25,078	27,078	29,078	31,578
Less: Depreciation	(11,292)	(13,423)	(15,698)	(18,024)	(20,550)
Net fixed assets	11,841	11,655	11,380	11,054	11,028
Add: Capital WIP	214	493	493	493	493
Total fixed assets	12,055	12,147	11,873	11,547	11,520
Total Investment	-	-	-	-	-
Inventory	12,471	13,260	15,873	17,406	19,528
Debtors	3,397	5,104	5,449	6,159	6,910
Cash & bank	22,350	25,597	27,571	31,673	36,533
Loans & advances	14	18	716	1,241	1,796
Current liabilities	22,407	27,328	29,909	32,471	35,181
Net current assets	18,731	19,962	23,011	27,318	32,896
Other non-current assets	7,649	7,794	7,794	7,794	7,794
Total assets	**38,435**	**39,904**	**42,678**	**46,659**	**52,211**

Source: Company, Axis Capital

Cash Flow (Rs mn)

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Profit before tax	3,073	4,901	4,575	6,196	8,303
Depreciation & Amortisation	2,129	2,166	2,275	2,326	2,526
Chg in working capital	2,508	1,237	(1,074)	(205)	(718)
Cash flow from operations	**6,100**	**5,711**	**3,055**	**5,113**	**6,057**
Capital expenditure	(658)	(1,186)	(2,000)	(2,000)	(2,500)
Cash flow from investing	**618**	**418**	**(6)**	**74**	**(113)**
Equity raised/ (repaid)	-	-	-	-	-
Debt raised/ (repaid)	-	-	-	-	-
Dividend paid	(634)	(634)	(634)	(634)	(634)
Cash flow from financing	**(1,168)**	**(3,072)**	**(1,074)**	**(1,084)**	**(1,084)**
Net chg in cash	5,550	3,057	1,974	4,103	4,859

Key Ratios

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
OPERATIONAL					
FDEPS (Rs)	19.2	28.0	26.9	36.4	48.8
CEPS (Rs)	34.3	45.4	44.8	54.7	68.7
DPS (Rs)	5.0	5.0	5.0	5.0	5.0
Dividend payout ratio (%)	28.3	17.5	18.6	13.7	10.3
GROWTH					
Net sales (%)	2.4	16.0	7.7	13.0	12.2
EBITDA (%)	8.8	36.6	(3.8)	30.3	28.9
Adj net profit (%)	8.6	46.3	(4.2)	35.4	34.0
FDEPS (%)	8.6	46.3	(4.2)	35.4	34.0
PERFORMANCE					
RoE (%)	6.1	9.2	8.1	10.0	11.9
RoCE (%)	9.4	13.6	12.2	15.0	17.8
EFFICIENCY					
Asset turnover (x)	3.1	3.3	3.3	3.4	3.6
Sales/ total assets (x)	1.1	1.2	1.2	1.3	1.3
Working capital/ sales (x)	0.0	(0.1)	(0.1)	0.0	0.0
Receivable days	18.2	23.5	23.3	23.3	23.3
Inventory days	70.8	65.7	72.4	71.0	71.8
Payable days	81.7	84.6	89.7	90.6	91.7
FINANCIAL STABILITY					
Total debt/ equity (x)	-	-	-	-	-
Net debt/ equity (x)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)
Current ratio (x)	1.8	1.7	1.8	1.8	1.9
Interest cover (x)	6.4	7.5	6.9	10.2	14.2
VALUATION					
PE (x)	72.2	49.4	51.5	38.0	28.4
EV/ EBITDA (x)	38.4	27.3	28.0	20.9	15.7
EV/ Net sales (x)	2.3	1.9	1.7	1.5	1.3
PB (x)	4.8	4.4	4.2	3.8	3.4
Dividend yield (%)	0.4	0.4	0.4	0.4	0.4
Free cash flow yield (%)	3.1	2.6	0.6	1.8	2.0

DISCLAIMER

This Research Report ("Report") is published by Axis Capital Limited ("ACL"), which is a wholly owned subsidiary of Axis Bank Limited and is registered with the Securities & Exchange Board of India ("SEBI") as a Research Analyst (Regn. No. INH000002434) and with the Research Analyst Administration and Supervisory Body (RAASB) (Enlistment Number – 5156).

This Report is not for public distribution and has been furnished strictly on a confidential basis for the exclusive use of the recipient and may not be reprinted, reproduced, sold or redistributed without the written consent of ACL. The distribution of this Report in other jurisdictions may be strictly restricted and/or prohibited by law and the recipients or persons in possession of this Report should be aware of and take note of such restrictions.

This Report should not be construed as an offer or the solicitation of an offer to buy or sell any security nor should be construed as an advertisement or advice, professional or otherwise. This Report does not claim to contain all the information that an investor / potential investor may require for the purpose of making an investment decision. The Report does not provide individually tailored investment advice or take into account a particular investment objective and has been prepared without regard to the circumstances and objectives of those who receive it. If the recipient(s) are dissatisfied with the contents of this Report or with the terms of this Disclaimer, the recipients' sole and exclusive remedy is to stop using/ referring to this Report.

Any comments or views expressed herein are those of the author(s) and may not reflect the information known to, or, the views held by professionals in other business areas or within the Axis Group (i.e. the group companies of Axis Bank Limited). The opinions or estimates expressed are based on public information and are the current opinions as of the publication date appearing on this material and the information, including the opinions and estimates contained herein, are subject to change without notice. ACL disclaims all obligation and is under no duty to update or revise this Report.

ACL is an integrated Investment Banking and Institutional Equities house and is also an Investment Manager to an Alternative Investment Fund (AIF). The recipient should assume that ACL is seeking or will seek investment banking or other businesses from the company(ies) that are the subject matter of this Report. Our Sales, Traders and Investment Banking personnel may provide oral or written market commentary or strategies to our clients that reflect opinions that may seem contrary to the opinions expressed herein.

ACL declares that neither were its activities suspended, nor did it default with any of the Stock Exchanges, since inception. We wish to state that SEBI, Exchanges, Clearing Corporations etc., have conducted routine inspections over the years and based on their observations may have issued advise/warnings/show cause notices/deficiency letters/levied penalty for certain deviations observed in inspections or in the normal course of business as a Merchant Banker, Stockbroker, Investment Manager to the AIF or Research Analyst. ACL has not been debarred from doing business by any Stock Exchanges/SEBI/any other authorities, nor has our certificate of registration as a Research Analyst been cancelled by SEBI at any point in time.

Emerging securities markets may be subject to risks significantly higher than most established markets. In particular, the political and economic environment, company practices, market prices and volumes may be subject to significant variations. Foreign currency-denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price or income derived from the investment. In addition, securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. Certain transactions, including those involving futures, options and other derivatives, are sophisticated investment instruments and give rise to substantial risks. Please ensure that you have read and understood the derivatives risk disclosure document before entering into any derivative transactions as they are not suitable for all investors. The recipients are requested to take into consideration all the risk factors, their financial condition and risk return profile. ACL recommends that recipients independently evaluate investments and strategies and seek the advice of a financial adviser, including Tax advice, before investing.

This Report may contain information obtained from third parties, including, but not limited to, ratings from credit ratings agencies. ACL makes every effort to use reliable, comprehensive information, but we make no representation that it is original, accurate, fair, accurate, correct, complete or fit for a particular purpose. Neither ACL, nor any of its affiliates, shareholders, directors, employees, agents or advisors or any person connected with this Report, accepts any liability whatsoever for any direct, indirect, incidental or consequential loss or damage, costs, expenses, legal fees or losses (including lost income or profits and/or opportunity costs or goodwill), for any error or omission or inaccuracy in any such information or any action resulting from or arising from the use of this Report or reliance of any information contained herein or in connection with any use or misuse of any of the information obtained from third parties contained in this Report. The price and value of the investments referred to in this Report may go up or down and we wish to highlight that past performance is not necessarily a guide for future performance. The estimates for future performance are based on assumptions that may not be realized. Prospective investors and others (including recipients) are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our investment businesses across the Axis Group may make investment decisions that are inconsistent with the recommendations expressed herein.

United States of America:

Axis Capital USA LLC (ACUL), a subsidiary of ACL, a company located outside of the United States of America, is a registered broker-dealer under the U.S. Securities Exchange Act of 1934 (CRD#: 293368/SEC#: 8-70083), as amended and under applicable state laws in the United States of America (US).

This Report is prepared, approved, published and distributed by ACL and distributed in the U.S. via a 15a-6 arrangement through ACUL. This Report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6 of the Exchange Act and interpretations thereof by SEC. This Report must not be acted on or relied on by persons who are not Major Institutional Investors. Any investment or investment activity to which this Report relates is only available to Major Institutional Investors and any transaction effected in accordance with 15a-6.

Neither this Report nor any Research Analyst who prepared or approved this Report is subject to U.S. legal requirements or the Financial Industry Regulatory Authority, Inc. ("FINRA") or other regulatory requirements pertaining to Research Reports or Research Analysts in the US. ACL is the employer of the Research Analyst(s) responsible for this Research Report and is not registered as a broker-dealer under the Exchange Act or is a member of FINRA or any other U.S. self-regulatory organization. The Research Analysts preparing this Report are resident outside the US and are not associated persons of any US regulated broker-dealer and therefore the Research Analyst(s) is/are not subject to supervision by a US broker-dealer, and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. ACL will refrain from initiating follow-up contacts with any recipient of this Report that does not qualify as a Major Institutional Investor or seek to otherwise induce or attempt to induce the purchase or sale of any security addressed in this Report by such recipient.

Singapore:

In Singapore, the report is distributed by ACL as per the provisions of Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) provided to Axis Bank Limited and by the foreign related corporation (FRC) framework and relevant sections of Cross-Border Arrangements under the Securities and Futures (Exemption for Cross-Border Arrangements) (Foreign Related Corporations) Regulations, 2021. The recipient of this Report in Singapore should contact Axis Bank Limited, Singapore in respect of any matter arising from, or in connection with this Report. This Report is distributed solely to persons who qualify as "Institutional Investors" of which some may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if the recipient ceases to be such an Institutional Investor, they must immediately discontinue usage of this Report.

Research Analyst's Certification and Disclosures:

Every Research Analyst identified on page 1 of this Report certifies that:
(1) he/ she is principally responsible for the preparation of this Report and does not have any material conflict of interest at the time of publication of this Report;
(2) all of the views expressed in this Report accurately reflect his/her personal views;
(3) no part of his/her compensation was/ is/or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.
(4) he/ she has not served as an officer, director or employee of the subject company in the last 12 month period ending on the last day of the month immediately preceding the date of publication of the Report.
(5) artificial intelligence tools may have been used (i) during the information gathering stage for compiling or collating data from (a) publicly available sources, (b) databases to which ACL subscribes, and (c) internally generated research data; and / or (ii) for compiling summaries of this report.

ACL and/or its associates/ affiliates and/or employees and/or their relative(s) may have a financial interest in the subject company or may have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the Report. ACL and/or its affiliates and/or its employees have not been engaged in market making activity for the subject company. ACL may be engaged in any other transaction involving such securities, may be earning brokerage or other compensation or could be acting as an advisor leading to apparent conflict of interests with respect to any recommendation and opinions. However, neither of the above shall have any bearing whatsoever on the specific recommendations made by the Research Analyst(s), as they are completely independent of the views of ACL's associates/ affiliates and/or employees and/or their relative(s).

In the last twelve-month period, ending on the last day of the month immediately preceding the date of publication of the Report, ACL and/or its associates/ affiliates may have:

1. received compensation from the subject company;
2. managed or co-managed public offering of securities for the subject company;
3. received compensation for investment banking/ merchant banking/brokerage services from the subject company;
4. received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company;
5. received any compensation or other benefits from the subject company or third party in connection with the Report.

Any access and/or use of ACL's Research Reports is subject to ACL's Terms of Use (https://www.axiscapital.co.in/contents/Terms_of_Use_Policy_New.pdf) .
In line with the recent amendments to the SEBI (Research Analysts) Regulations, 2014 and the guidelines and circulars issued thereunder, click here to view important Terms & Conditions for Availing Research Services.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI, membership of RAASB and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office: Axis House, 1st Floor, Pandurang Budhkar Marg, Worli, Prabhadevi, Mumbai, Mumbai, Maharashtra, India, 400025;
Website: https://www.axiscapital.co.in/

Compliance Officer: Ms. Vilma Mathias Gangahar, Ph: +91-22-43251199, E-mail ID: compliance@axiscap.in
Other registrations: CIN: U51900MH2005PLC157853; Stock Broker - INZ000189931; Merchant Banker - INM000012029

DEFINITION OF RATINGS	
BUY	We expect this stock to deliver more than 15% returns over the next 12 months.
ADD	We expect this stock to deliver 5-15% returns over the next 12 months.
REDUCE	We expect this stock to deliver 5% to -10% returns over the next 12 months.
SELL	We expect this stock to deliver <-10% returns over the next 12 months.