

7<sup>th</sup> March, 2016

The National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block  
Bandra Kurla Complex  
Bandra (E)  
Mumbai- 400 051

**NSE Symbol : HAVELLS**

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001

**Scrip Code : 517354**

**Sub: Intimation of Schedule of Analyst/ Institutional Investor Meet**

Dear Sir,

In terms of Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with corresponding circulars and notifications issued thereunder, it is hereby informed that the management of the Company shall be participating in the Investor Conferences, scheduled as follows:-

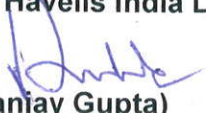
1. Road Show organized by ICICI Securities Limited  
Place: Chicago  
Date: 9th March 2016
2. Ambit India Access Conference  
Place: New York  
Date: 10th March 2016
3. Ambit India Access Conference  
Place: Boston  
Date: 11th March 2016

Also enclosed is a copy of the Investor Presentation which would be used in the above conferences. The same is also being uploaded on the website of the Company.

This is for your information and records.

Thanking you.

Yours faithfully,  
for **Havells India Limited**

  
(Sanjay Gupta)  
Company Secretary

Encl: as above



**HAVELLS**



Havells India Limited

Growing Tenaciously

March 2016

## HAVELLS - INTRODUCTION

- Havells – a leading brand in electrical consumer products in India
- Widest product basket with premium positioning, amongst top four
- Embarking growth in challenging economic environment, CAGR 13% over last five year
- Sequential improvement in growth in current financial year
- Translating into a FMEG with greater consumer focus, marketing practices and margins on lines of FMCG industry
- Disinvestment of Sylvania global to reduce volatility in consolidated earnings and to improve financial returns

# HAVELLS – INTEGRATED BOUQUET OF PRODUCT OFFERING



# HAVELLS – MARKET POSITION IN EACH CATEGORY

## Switchgears - Domestic MCB

Market Size ~ INR 17,800 million  
 Market share ~ 29% (15% in 2006)  
 Peers – Legrand, Schneider

## Switchgears - Switches

Market Size ~ INR 17,000 million  
 Market share ~ 20% (5% in 2006)  
 Peers – Panasonic (Anchor), Legrand

## Cable - Domestic

Market Size ~ INR 80,000 million  
 Market share ~ 16% (6% in 2006)  
 Peers – Polycab, Finolex

## Cable – Industrial

Market Size ~ INR 120,000 million  
 Market share ~ 10% (6% in 2006)  
 Peers – Polycab, KEI

## Electrical Consumer Durable - Fans

Market Size ~ INR 52,000 million  
 Market share ~ 15%  
 Peer Position – Crompton, Usha, Orient

## Lighting & Fixtures-LED

Constitute 50% of segment - 9MFY16

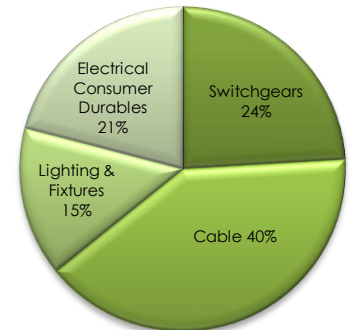
## Lighting & Fixtures- Conventional

Market Size ~ INR 60,000 million  
 Market share ~ 10% - 14%  
 Peer Position – Philips, Bajaj, Crompton, Wipro

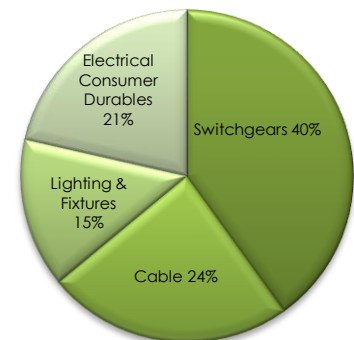
## Domestic Appliances

Market Size ~ INR 65,000 million  
 Peer Position – Bajaj, Philips

**9M FY16  
 Revenue Mix**



**Contribution Margin Mix**



# HAVELLS – GROWING TENACIOUSLY

## DEEPENING DISTRIBUTION NETWORK

- Start building direct connect with retailers and electricians to create excitement and demand generation, to be serviced through existing dealer
- Vertical (tier II, III cities) and horizontal channel expansion - product extension to allow entry in uncovered distribution network (pumps, domestic appliances)
- Technology and use of mobile apps will provide convenience and speed
- Intimate dealer relationship with strategic initiatives



## **HAVELLS – GROWING TENACIOUSLY**

### **ATOMIZING GROWTH – STRING OF PEARLS**

- Technology based product extension in the new category (LED lighting) and in the existing category (home automation)
- Life style based product introduction in non existing markets as of now (air fryer, air purifier)
- Product introductions to feed existing channel (air cooler)
- Developing new customer channel (MFR, CSD, EESL, B2G)
- Extended other brands - 'Standard' into more product categories and geographies, 'Reo' to address untapped market
- Greater accountability with focused verticization, inculcating senior resources fortifying management bandwidth

## HAVELLS – GROWING TENACIOUSLY

### INORGANIC

- To get access to new product, technology, brand or to expand distribution network, geographical reach in India
- Completed acquisition of 51% stake in Promptec Renewable in 2015
- Focus on high growth segment of LED street lighting, exploring IoT (internet of things) and solar
- Provide access to B2G and B2B segments hitherto sidelined in Havells
- Recently bagged a Rs 71 crores orders in street lights from EESL (Energy Efficiency Services Limited, a govt. enterprise)
- To provide manufacturing foothold in South Indian region



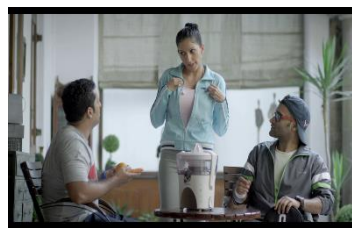
# HAVELLS – GROWING TENACIOUSLY

## REAFFIRMING BRAND EQUITY

- Electrical industry conventionally not brand driven
- Havells bridged the gap with aggressive marketing campaign, spending 3-4% of sales (industry ~1%)
- Leveraging digital media
- Premium brand perception: Achiever, Educated, Ambitious
- Creating specific platform for wider, diverse consumerism



Hawa Badlegi



Respect for Women



Bill Chhota Dil Bara



Wire that Don't catch fire

# HAVELLS – GROWING TENACIOUSLY

## STRONG MANUFACTURING

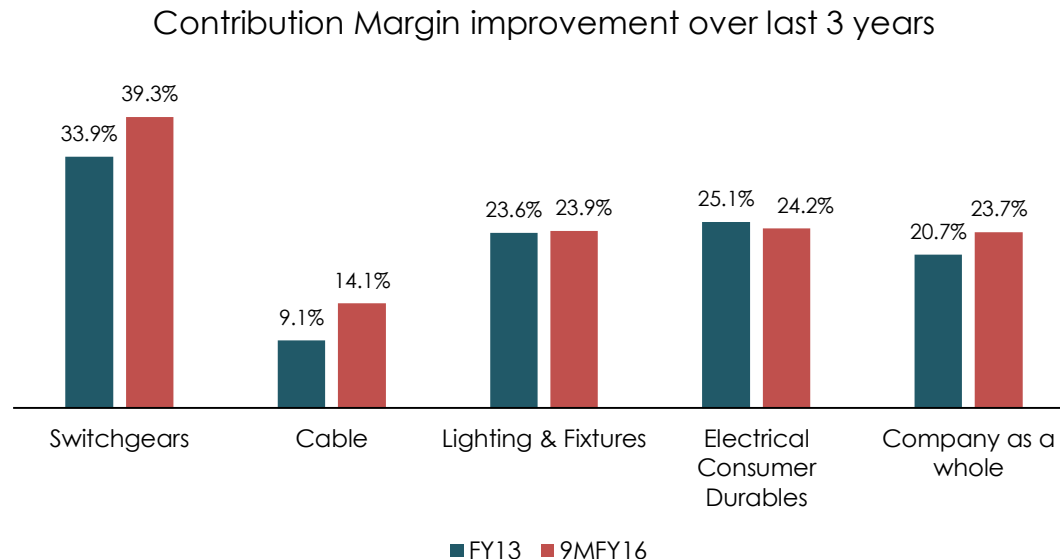
- Defying industry convention, Havells significantly invested in 11 large scale, well equipped plants
- One plant-one product focus to drive scale and cost efficiencies
- Provide confidence to dealers/ consumers and a critical and strategic swiftness to market opportunity, gaps and demand
- Insulated against wide forex fluctuation, 91% of revenue from in-house manufacturing



# HAVELLS – GROWING TENACIOUSLY

## IMPROVING MARGINS

- Focus on improving margins by extensive cost efficiency measures across product verticals
- Better price management and policy discipline also expanded contribution margin



# HAVELLS STANDALONE FINANCIALS

in millions of Rupees

## Operational highlights

|                   | FY14   | FY15   | 9M<br>FY16 |
|-------------------|--------|--------|------------|
| Net Revenue       | 47,197 | 52,387 | 39,614     |
| Growth (%)        | 12%    | 11%    | 2%         |
| EBIDTA            | 6,415  | 6,991  | 5,297      |
| EBIDTA %          | 13.6%  | 13.3%  | 13.4%      |
| Profit Before Tax | 5,951  | 6,462  | 4,910      |
| Net Profit        | 4,787  | 4,649  | 3,489      |
| Net Profit %      | 10.1%  | 8.9%   | 8.8%       |
| CAPEX             | 920    | 1,689  | 1,189      |

## Balance Sheet highlights

|                       | March 14 | March 15 | Dec 15  |
|-----------------------|----------|----------|---------|
| Net Worth             | 21,299   | 23,758   | 27,287  |
| Gross Debt            | 1,955    | 835      | 553     |
| Net Fixed Assets      | 9,341    | 10,073   | 10,551  |
| Investment (Sylvania) | 8,515    | 9,809    | 9,810*  |
| Net working capital   | 3,697    | 4,277    | 4,568   |
| Cash & bank balance   | 6,261    | 5,223    | 5,683** |

- Low working capital due to channel financing made available to dealers i.e. direct funding by bankers with limited recourse on the company
- 49% dividend payout on standalone profit

- \*Investment in Sylvania will stand reduced to INR 2,714 million post disinvestment of 80% stake of Sylvania
- \*\* Cash & bank balance post disinvestment and payment of special dividend of Rs 3 per share is INR 12,132 million

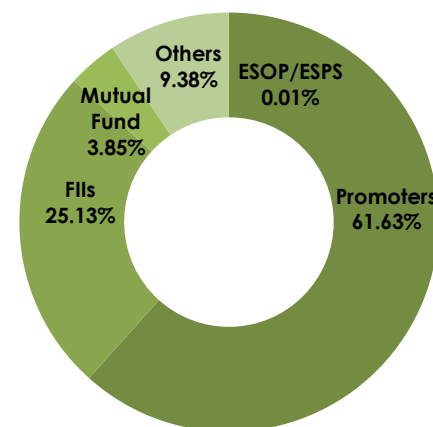
## **SYLVANIA DISINVESTMENT**

- In January 2016, 80% stake sale for Sylvania was completed
- Equity value of 100% stake is Euro 186 million (~Rs 1,357 crores) against cumulative investment of Rs 981 crores
- The divestment will help reduce the uncertainty and earnings volatility for Havells consolidated financials
- Improvement in financial returns and related matrix
- Havells will retain subsidiaries based in USA, Brazil and Thailand with an option to sell in next 24 months

## HAVELLS - BENCHMARKING WITH THE BEST CORPORATE, FINANCIAL AND SHAREHOLDERS GOVERNANCE

- Promoters- Single business focus
- Alignment of interest with other investors through transfer of “HAVELLS” Brand at no consideration, effective from 1<sup>st</sup> April 2016
- Transparent and detailed communication to shareholders
- Committed to high standards of corporate and shareholder governance

Shareholding Pattern



Nalanda Capital  
Capital World  
Pension Funds

## SUMMARY

- Havells metamorphosing into branded consumer company benchmarked against the best-in-class across industries (not just electrical)
- Constant endeavor to strengthen core with technology and native business acumen
- Focus on growth with organic leverage and inorganically
- Well positioned for industry leading growth, spurred by anticipated economic revival