

10<sup>th</sup> November, 2017

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, Havells India Limited, shall be participating in the Investor Conferences, scheduled as follows:-

1. Name of the Organizer: CLSA  
Place: Gurugram  
Date: 13<sup>th</sup> November 2017
2. Name of the Organizer: IDFC  
Place: Mumbai  
Date: 16<sup>th</sup> November 2017
3. Name of the Organizer: UBS  
Place: Mumbai  
Date: 17<sup>th</sup> November 2017

Also enclosed is a copy of the Investor Presentation which would be used in the above conferences.

This is for your information and records.

Thanking you.

Yours faithfully,  
for Havells India Limited

  
(Sanjay Kumar Gupta)  
Company Secretary

Encl: as above

**HAVELLS INDIA LTD.**

Corporate Office: QRG Towers, 2D, Sector 126, Expressway, Noida - 201304, U.P (INDIA)  
Tel: +91-120-3331000, Fax: +91-120-3332000  
E-mail: marketing@havells.com, www.havells.com  
Registered Office: 904, 9th Floor, Surya Kiran Building,  
K.G. Marg, Connaught Place, New Delhi - 110001. (INDIA)  
Consumer Care No.:  
1800 103 1313, 1800 11 0303 (All Connections), 011-4166 0303 (Landline)  
CIN: L31900DL1983PLC016304  
GSTIN: 09AAACH0351E2Z2



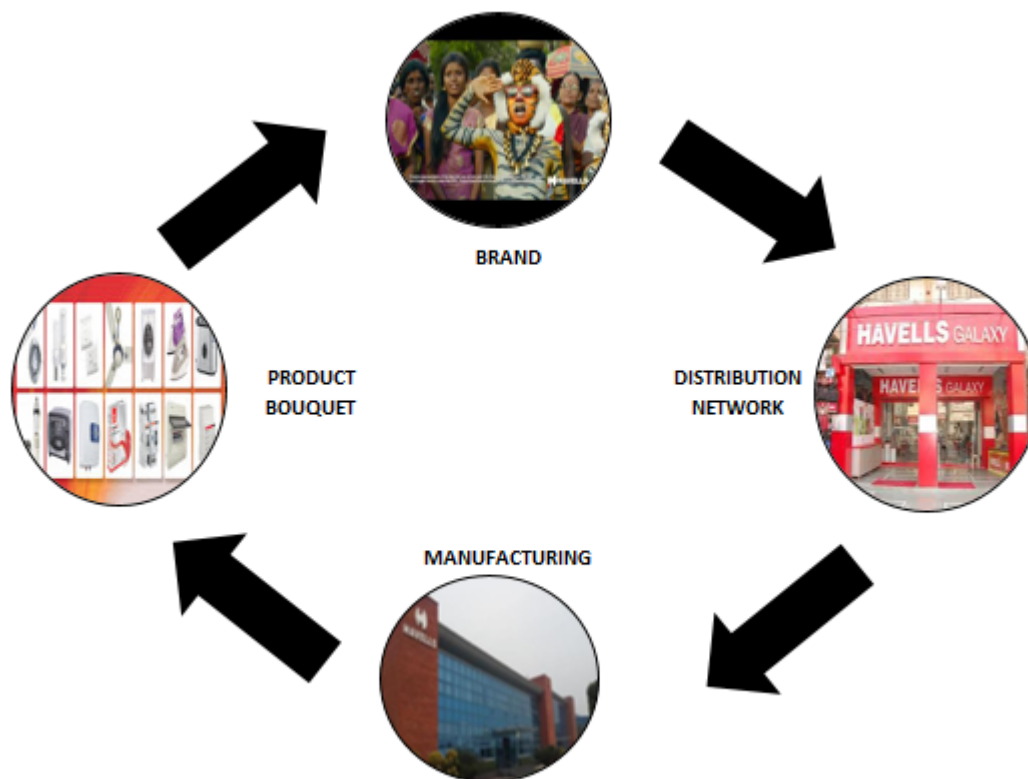
**HAVELLS**



# INTRODUCTION

Havells is an electrical consumer product company in India

An efficient interplay



Higher Market Share

Higher Profitability

Free Cash Flow

Superior Return to shareholders

## HAVELLS – SNAP SHOT

			(Rs. in crores)
■ An Indian FMEG	FY 2012	FY2017	CAGR% (5yrs)
Turnover	3,581	6,135	11%
EBITDA %	12.8%	13.4%	12%
Net Profit before exceptions	305	596	16%
Market Capitalization	71,38	30,700*	

\* as on 1<sup>st</sup> Nov-17

## MACRO LEVERS - FAVAOURABLE OUTLOOK

### Urbanization

To be 40% by 2030 from 33% currently

Investment on infrastructure and housing will be key focus area

### Electrification

High degree of focus on electrification, presently 78% households electrified, low quality and regular supply are key issues

### Organized Penetration

Low to medium penetration in most of the categories

Large presence of unorganized sector

### Young Demography

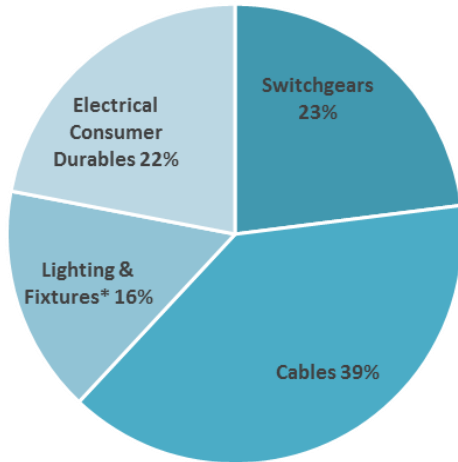
Growing middle class across urban, semi urban.

Brand aspiration, better standard of living and global exposure

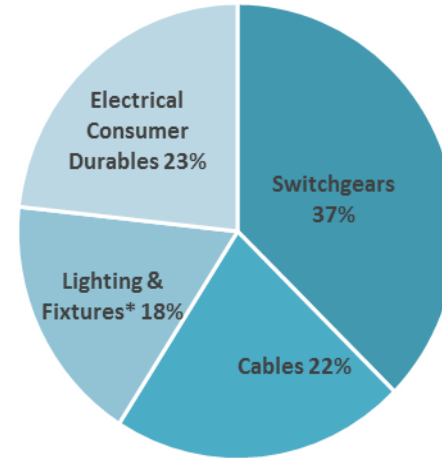
# **BUSINESS OVERVIEW: HAVELLS ELECTRICAL**

# SEGMENTS

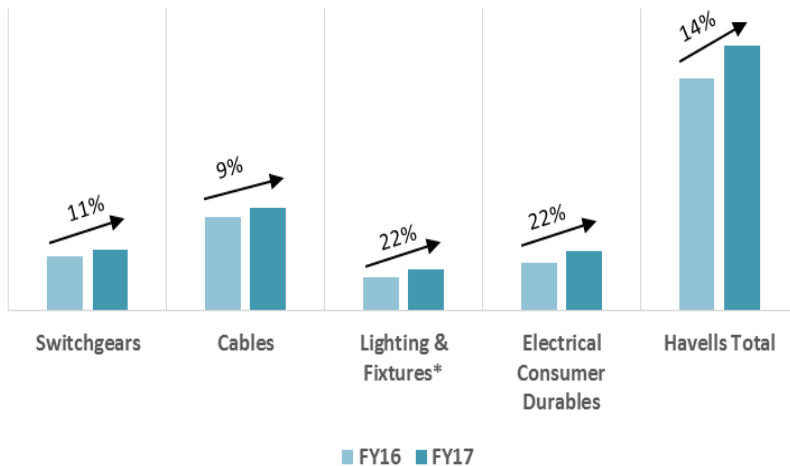
Revenue Mix



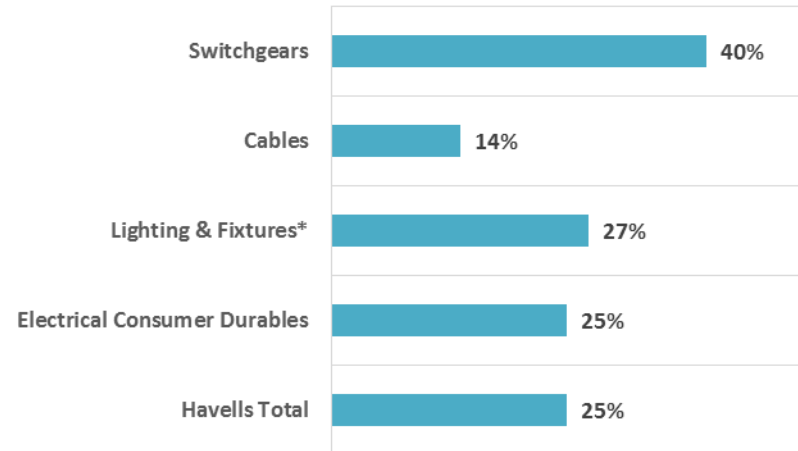
Contribution Margin Mix



Revenue Growth (CY vs LY)



Contribution Margin % (FY 17)



\* Havells' total revenue and Lighting & Fixtures' revenue includes sales to EESL. Without EESL and ex-CFL, growth in lighting is 29%

## MARKET SHARE

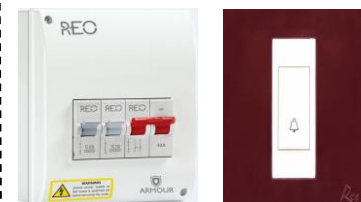
	Product	Indicative Market Size (Rs. in crores)	Indicative Market Share	Indicative Rank	Organized Penetration Level	Peers
Switchgears	MCB	2,200	27-28%	# 1	High	Legrand, Schneider
	Switches*	2,200	14-15%	# 3	Medium	Panasonic (Anchor), Legrand
Cable	Domestic	8,000	16%	# 3	Low	Finolex, Polycab
	Industrial	12,000	10%	# 3	Low	Polycab, KEI
LED Lighting	Lighting & Fixtures	6,500	10-14%	# 2-4	Medium	Philips, Crompton, Bajaj, Wipro
ECD	Fans	6,900	16%	# 3	High	Crompton, Orient, Usha
	Water Heaters	1,400	15%	# 3	Low	Racold, AO Smith
	Other Appliances	5,200	2-3%	-	Low	Bajaj, Philips



## PRODUCT AND GEOGRAPHIC EXPANSION

- Expand and straddle existing product category led by product variants and technology
- Bankroll fresh verticals with 2-3 years incubation, empirically constituting 8-10% of total revenue
- 'Standard' and 'Reo' brands extended to new categories – maximize distribution network
- Evaluate inorganic opportunities- brand & distribution focused
- Expand export markets by increasing local presence and introduction of wider range

### New Products



Solar

Standard Fan



Personal Grooming

### Variants led by technology

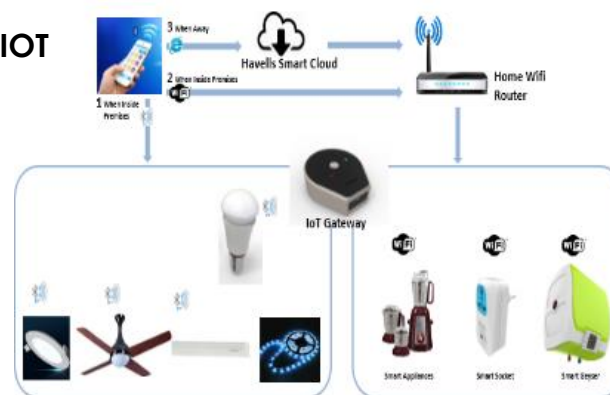
#### Home Automation



#### LED Lighting



#### IOT



## DEEPENING PARTNERSHIP WITH CHANNEL : 360° CONNECT

- Deeper focus on distribution and last mile connect with retailers and electricians, to be serviced through existing dealer
- Simplified incentive scheme for easier adoption and participation
- Havells Galaxies, 420 in nos. constituting 19% of non industrial cable revenue

~7,500  
Direct Dealers

~100,000  
Retailers

~220,000  
Electricians

HAVELLS  
SAMPARK2015



**E-PLUS**  
Instant Cash Reward

Loyalty Programme  
for Electricians/Electrical Contractors

E-Plus is an instant cash reward programme for electricians and electrical contractors on DP, switch & wire.

### SIMPLE STEPS TO GET INSTANT CASH



STEP 1  
Identify the E-Plus coupon with perforation  
or inside the packaging.



STEP 2  
Hand-over the unscratched E-Plus coupon  
to Havell's retailer or dealer.



STEP 3  
Collect cash instantly.

**HAVELLS**

## SUSTAINED INVESTMENT IN BRAND & SUPPLY CHAIN



**Brand:** Sizable investment in advertisement, 3-4% of revenue, comparable with industry leaders in paints, adhesive etc.

Invested Rs 770 crores in advertisement and promotion over last 5 years.



**Fortifying Management Bandwidth:** Strengthening organization structure for sharper focus with greater accountability.

5 strategic business units, to be managed separately with complete responsibility of P&L.



**Manufacturing:** Currently ~ 90% of sale is from in-house manufacturing.

12 large scale, well equipped plants with one plant - one product focus.



**After Sales Service:** Large Network for entire product category – covering 400 cities, 7 vernacular languages + Hindi & English, 580 channel partners with 2,000 people + 250 Havells' employees.

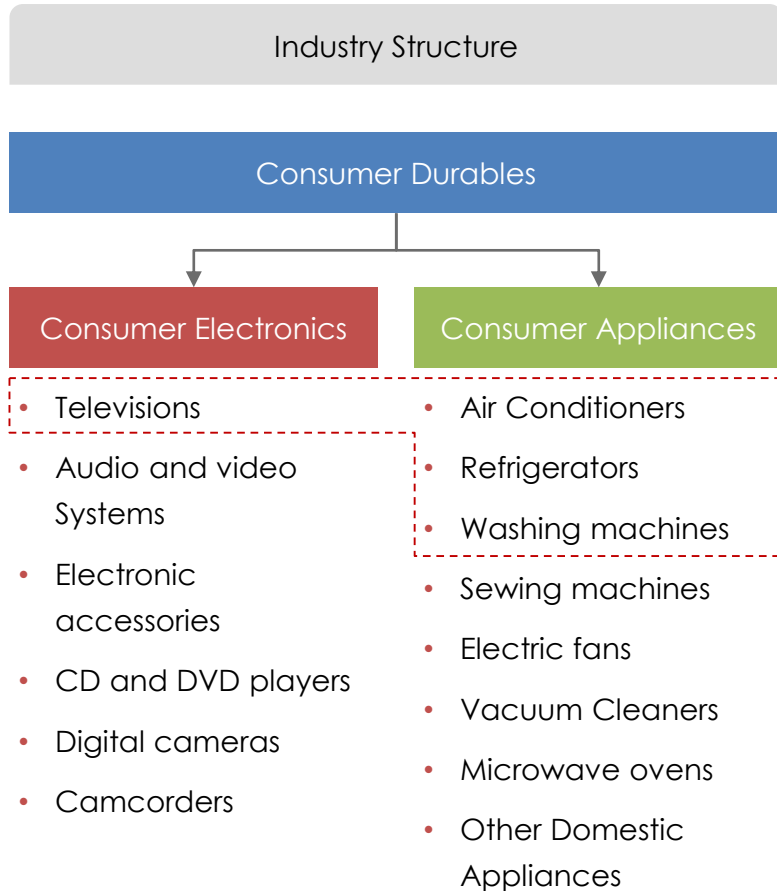
## DEEPER INTO HOMES: LLOYD CONSUMER DURABLES





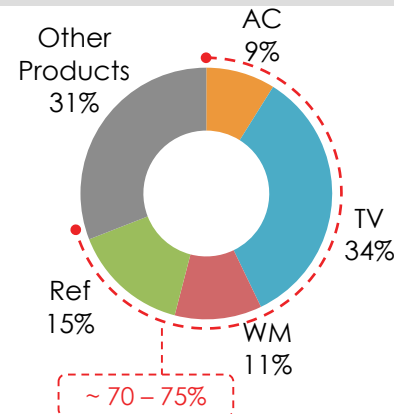
# CONSUMER DURABLES INDUSTRY OVERVIEW

ACs, Refrigerators, WMs and TVs Collectively Contribute c.70 - 75% of the Market

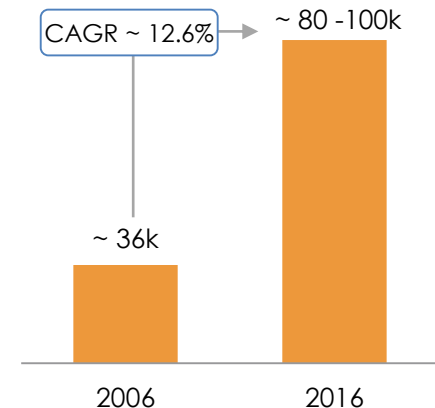


- Overall Consumer Durables account for more than 40% of end consumer spending in India
- Annual turnover in excess of INR 80 -100k Cr (ACs, TVs, WMs and Refrigerators constitute c.70-75%)
- Historical growth of c. 13%
- Urban markets account for the majority share (65%)
  - Future growth expected from tier-II/III cities and semi-urban markets (c.75% population base)

Consumer Durables Split (%)



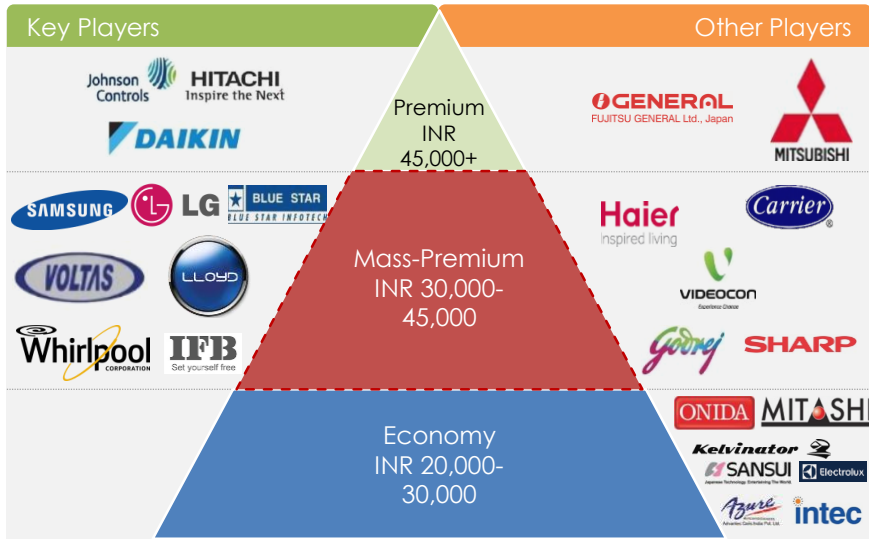
Consumer Durables Market (INR Cr)



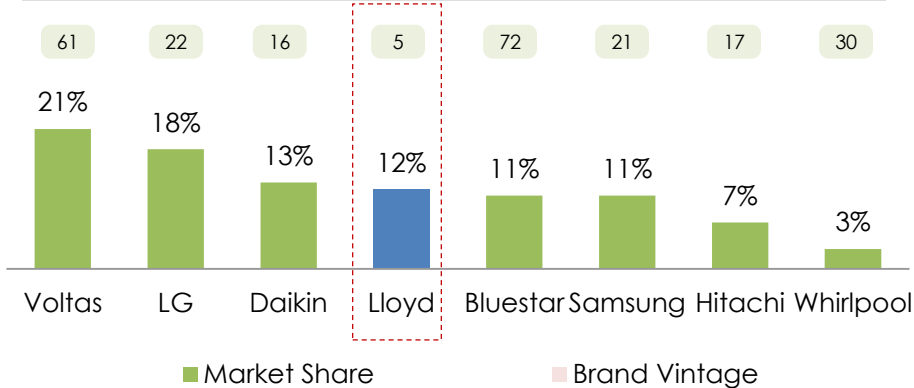
Source: IBEF and Crisil Research

# MASS PREMIUM POSITIONING

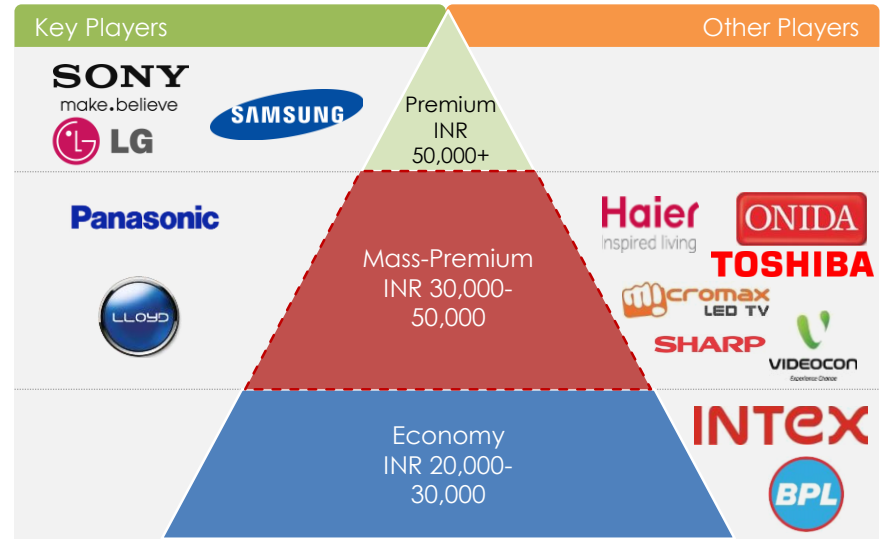
## Air Conditioner Market in India



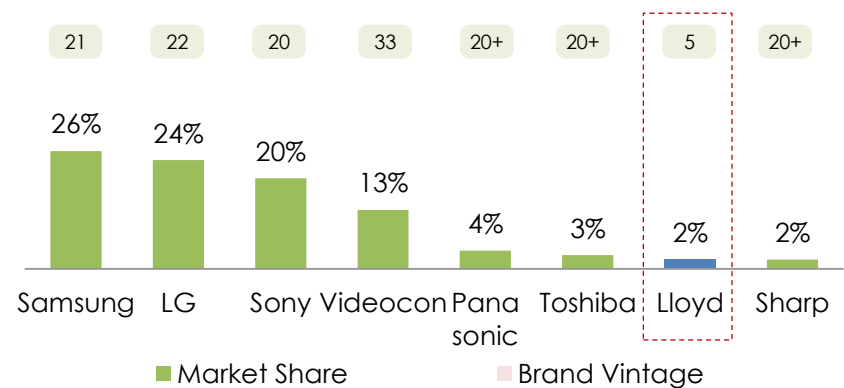
AC Volume Market Share



## LED TV Market in India



LED TV Volume Market Share



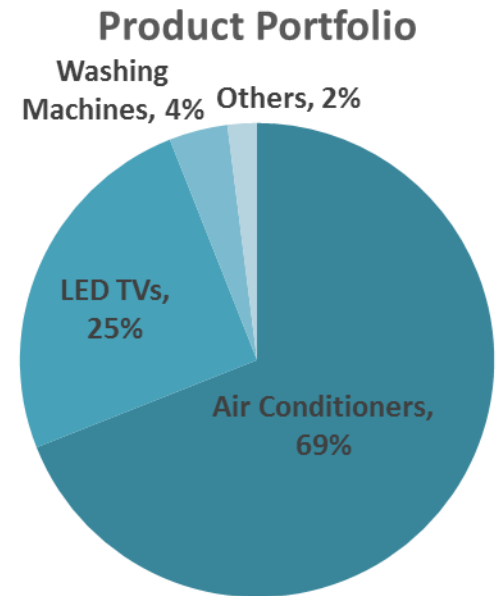
## LLOYD

- A significant player in AC market with ~ 70% of revenue accruing from Air Conditioners and ~ 25% from LED TVs
- Developed a strong business with a market share of ~12% in AC segment within 8 years of launch
- Pan India distribution network providing beachhead to diversify product expansion into LED TVs and Washing Machines
- Service network and delivery a key value proposition
- An aggressive marketing campaign backed with superior channel management facilitated Lloyd to grow significantly



## LLOYD: SUSTAIN INDUSTRY LEADING GROWTH

- Broaden distribution channels into LFR, RR, CSD and CPC
- Expand product categories with dedicated business heads and verticals
- Accelerate business growth and profitability through:
  - ✓ Increasing distribution reach
  - ✓ Investment in brand
  - ✓ Investment in product technology
  - ✓ In-house manufacturing



# FINANCIALS

# STANDALONE FINANCIALS

Financial highlights

in millions of Rupee

	FY16 Havells	FY17 Havells	H1 FY18 Havells	H1 FY18 Lloyd (from 8 <sup>th</sup> May'17)	H1 FY18 Havells Total
Net Revenue	53,783	61,353	29,190	5,370	34,560
Growth %	4%	14%	6%**	--	25%
EBIDTA %	14.0%	13.4%	13.8%	5.9%	11.8%
PBT % before exceptions	13.1%	13.5%	13.9%	5.2%	11.4%
PAT before exceptions	5,096*	5,969*	2,914	196	2,924
PAT%	9.5%	9.7%	10.0%	3.7%	8.0%
CAPEX	1,766	2,386	--	--	620
ROCE %	27%	26%	--	--	24%
Net Worth	29,537	32,736	--	--	33,145
Net Working Capital	5,057	5,274	--	--	6,257
Cash & Bank	13,652	19,375	--	--	5,970

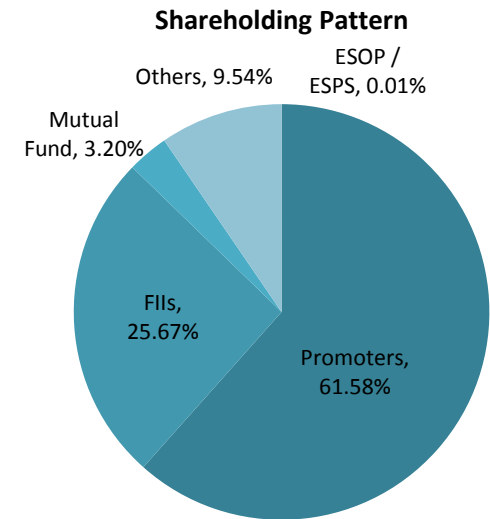
- Low working capital due to channel financing made available to dealers i.e. direct funding by bankers with no recourse on the company

\* PAT for FY17 and FY16 was Rs. 5,390 and Rs. 7,120 mn including exceptional items

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

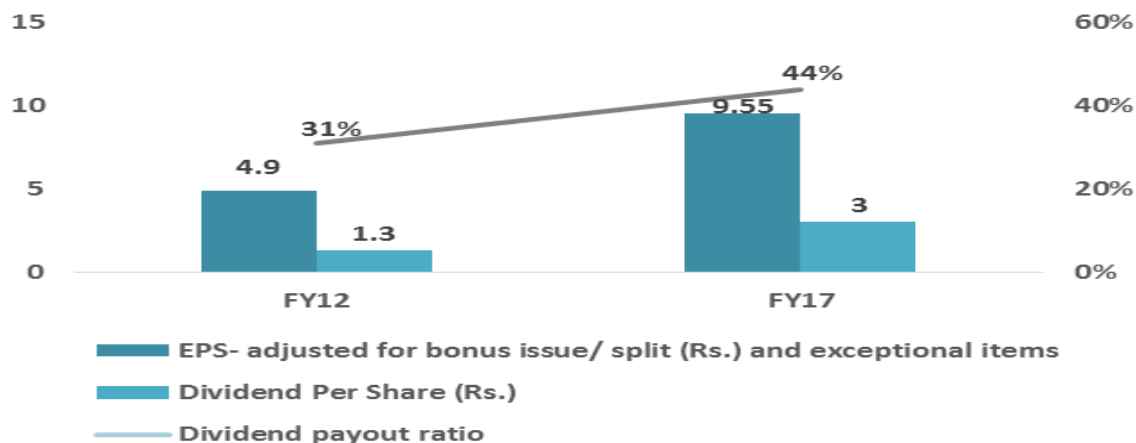
- Promoters- single business focus
- Transparent and detailed communication to shareholders
- Committed to high standards of corporate and shareholder governance, assigned CGR 2+ rating by CARE

### Shareholding Pattern



As on 30.09.2017

### EPS, DPS & Dividend Payout Ratio



## SUMMARY

- India represents large untapped opportunity with lower penetration, higher unorganized sector & growing electrification
- Havells preparing for future with constant products expansion, deepening market reach & brand reinforcement
- Organic leverage with opportunistic acquisition to drive growth
- Strengthening management bandwidth to lead ambitious growth plan
- Native business acumen, market connect and ethics remain core values