



29<sup>th</sup> October, 2020

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: Information Update on the Unaudited Financial Results Q2 2020-21**

Dear Sir,

In furtherance to the un-audited standalone and consolidated financial results of the Company viz. Havells India Limited already forwarded to the stock exchanges this day in compliance of Regulations 30, 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, also please find enclosed herewith an information update on the financial results of the Company for the second quarter and half year ended 30<sup>th</sup> September, 2020.

The above 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.**

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GSTIN: 09AAACH0351E2Z2



# Havells India Limited

**Q2 FY21** {SEPTEMBER 30, 2020}  
{Un-Audited Financial Results}

We recommend that readers refer to the Havells India financials to get a better appreciation of the business performance. A copy of the latest quarterly/ yearly Financial Results of Havells India Limited are available on Havells website – <http://www.havells.com>. The results are limited reviewed by the Auditors of the Company and approved by the Board of Directors in their meeting held on 29<sup>th</sup> October 2020.

## **TABLE OF CONTENTS**

### **Section 1 Havells India – Performance at a glance – Standalone**

- 1.1 Summary of Financial Statements: Quarterly
- 1.2 Segment wise revenue analysis: Quarterly
- 1.3 Segment wise margin analysis: Quarterly
- 1.4 Summary of Financial Statements: Half Yearly
- 1.5 Segment wise revenue analysis: Half Yearly
- 1.6 Segment wise margin analysis: Half Yearly
- 1.7 Balance Sheet highlights
- 1.8 Cash flow highlights
- 1.9 Debt
- 1.10 Financial Ratios

### **Section 2 Shareholding related information**

- 2.1 Shareholding pattern

## SECTION 1. HAVELLS INDIA (STANDALONE)

Table 1.1: P&L Summary – Quarterly

In crores of Rupees	Q2 FY 21	Q2 FY 20	Change %
<b>Net Revenue</b>	<b>2,452</b>	<b>2,231</b>	<b>10%</b>
<b>Contribution as a % to NR</b>	<b>607 24.8%</b>	<b>531 23.8%</b>	<b>14%</b>
Less: Under-absorption- AC plant	-	10	
Add: Depreciation / Amortization	59	53	
Less: Advertisement and Sales Promotion as a % to NR	19 0.8%	74 3.3%	<b>(74%)</b>
Less: Other SG&A as a % to NR	226 9.2%	266 11.9%	<b>(15%)</b>
<b>EBIDTA as a % to NR</b>	<b>421 17.2%</b>	<b>235 10.5%</b>	<b>79%</b>
Depreciation / Amortization	59	53	
Interest Expense	17	5	
Foreign Exchange (gain)/loss	(4)	(5)	
Interest Income (A)	27	19	
Others* (B)	49	5	
<b>Add: Other Income (A+B)</b>	<b>75</b>	<b>24</b>	
<b>Profit before tax as a % to NR</b>	<b>424 17.3%</b>	<b>206 9.2%</b>	<b>106%</b>
Tax	99	25	
<b>Net Profit as a % to NR</b>	<b>325 13.3%</b>	<b>181 8.1%</b>	<b>80%</b>
Other Comprehensive (Income)/Expense	(1)	(2)	
<b>Total Comprehensive Income</b>	<b>324</b>	<b>179</b>	

\* Others include one-time gain of Rs. 43 crores on account of sale of unutilized land and building at Greater Noida

### Current Status

- Covid led disruptions declining, though regionally impacted with local lockdowns
- Factories operating at full capacity, branches and HO operating on rotational WFH
- Trade sales stabilizing, encouraging signals of initial growth
- Impetus to 'Atmanirbhar Bharat' with prohibition on AC import, positive for integrated manufacturers like Lloyd

### Results Summary

- Demand recovery healthy and seemingly sustainable
- Consumer and residential portfolio growing in mid-teens
- Infrastructure and industrial segment still soft
- Advertisement spends are progressively reverting to normal levels
- Lloyd has well recovered led by AC sales growth

**Table 1.2: Segment wise Revenue analysis – Quarterly**

In crores of Rupees	Q2	Q2	Change (%)
	FY 21	FY 20	
Switchgears*	370	364	2%
Cable	785	821	-4%
Lighting & Fixtures*	265	254	4%
Electrical Cons. Durables*	580	490	18%
Others*	172	122	41%
<b>Sub Total</b>	<b>2,172</b>	<b>2,051</b>	<b>6%</b>
Lloyd	280	180	56%
<b>Total</b>	<b>2,452</b>	<b>2,231</b>	<b>10%</b>

- Consumer and Residential portfolio registered mid-teens growth across segments, ECD being the bellwether
- Consumer lighting was beneficiary of Rural Vistaar and deeper distribution
- ACs led the growth in Lloyd, supported by washing machines and recently launched Refrigerators

\*The Company has reviewed its segments classification effective 1<sup>st</sup> April 2020. The product categories which are not strictly subscribing to the specific category has been independently classified under 'Others'. 'Others' include Motor, Pump, Solar, Personal Grooming and Water Purifier businesses. The comparative figures for earlier periods have been accordingly reclassified.

**Table 1.3: Segment wise margin analysis – Quarterly**

(I) Contribution margins (%) ^	Q2 FY21	Q2 FY20	Q1 FY21
Switchgears	42.1%	42.2%	33.4%
Cable	17.4%	18.4%	12.2%
Lighting & Fixtures	31.0%	29.5%	19.9%
Electrical Cons. Durables	27.2%	25.1%	22.0%
Others	21.9%	19.4%	13.7%
<b>Sub total</b>	<b>26.2%</b>	<b>25.6%</b>	<b>19.2%</b>
Lloyd	13.7%	3.0%*	9.8%
<b>Total</b>	<b>24.8%</b>	<b>23.8%*</b>	<b>17.2%</b>

^ Contribution margins are derived after deducting material cost, manufacturing variables, direct selling variables and depreciation from the net revenue

\* Contribution margins in Lloyd in Q2 FY20 are before unabsorbed expenses of Rs. 10 crores related to AC plant

**(II) Segment results (%)****(In crores of Rupees)**

Segments	Q2 FY21			Q2 FY20			Q1 FY21		
	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS
Switchgears	370	115	31.0%	364	87	24.0%	190	29	15.3%
Cable	785	112	14.3%	821	104	12.7%	461	37	7.9%
Lighting	265	52	19.7%	254	31	12.1%	138	3	2.1%
ECD	580	117	20.2%	490	72	14.6%	302	37	12.3%
Others	172	14	8.2%	122	(11)	(8.9%)	82	(5)	(5.6%)
<b>Sub total</b>	<b>2,172</b>	<b>410</b>	<b>18.9%</b>	<b>2,051</b>	<b>283</b>	<b>13.8%</b>	<b>1,173</b>	<b>101</b>	<b>8.6%</b>
Lloyd	280	5	1.8%	180	(44)	(24.5%)	306	6	2.1%
<b>Total</b>	<b>2,452</b>	<b>415</b>	<b>16.9%</b>	<b>2,231</b>	<b>239</b>	<b>10.7%</b>	<b>1,479</b>	<b>107</b>	<b>7.3%</b>
-Finance cost		17	0.7%		5	0.2%		17	1.1%
-Unallocable exp.		(26)	(1.0%)		28	1.3%		5	0.3%
<b>PBT</b>		<b>424</b>	<b>17.3%</b>		<b>206</b>	<b>9.2%</b>		<b>86</b>	<b>5.8%</b>

## Contribution by Segment

- Effective price and cost management enabled contribution margin improvements, especially in ECD and Lighting
- Lower Advertisement and SG&A costs have further supported EBIT margins
- Lloyd contribution margins improved. EBIT margins were low, being off-season for AC business

**Table 1.4: P&L Summary – Half Yearly**

In crores of Rupees	H1 FY 21	H1 FY 20	Change %
<b>Net Revenue</b>	<b>3,931</b>	<b>4,943</b>	<b>(20%)</b>
<b>Contribution as a % to NR</b>	<b>862 21.9%</b>	<b>1,175 23.8%</b>	<b>(27%)</b>
Less: Under-absorption- AC plant	-	15	
Add: Depreciation / Amortization	119	100	
Less: Advertisement and Sales Promotion as a % to NR	25 0.6%	211 4.3%	<b>(88%)</b>
Less: Other SG&A as a % to NR	405 10.3%	537 10.9%	<b>(25%)</b>
<b>EBIDTA as a % to NR</b>	<b>551 14.0%</b>	<b>513 10.4%</b>	<b>7%</b>
Depreciation / Amortization	119	100	
Interest Expense	34	10	
Foreign Exchange (gain)/loss	(11)	(16)	
Interest Income (A)	46	43	
Others* (B)	54	10	
<b>Add: Other Income (A+B)</b>	<b>100</b>	<b>53</b>	
<b>Profit before tax as a % to NR</b>	<b>509 13.0%</b>	<b>472 9.5%</b>	<b>8%</b>
Tax	121	115	
<b>Net Profit as a % to NR</b>	<b>388 9.9%</b>	<b>357 7.2%</b>	<b>9%</b>
Other Comprehensive (Income)/Expense	(2)	(3)	
<b>Total Comprehensive Income</b>	<b>386</b>	<b>354</b>	

\* Others include one-time gain of Rs. 43 crores on account of sale of unutilized land and building at Greater Noida

**Table 1.5: Segment wise Revenue analysis – Half Yearly**

In crores of Rupees	H1 FY 21	H1 FY 20	Change (%)
Switchgears*	560	705	-21%
Cable	1,246	1,600	-22%
Lighting & Fixtures*	403	504	-20%
Electrical Cons. Durables*	881	1,052	-16%
Others*	254	250	2%
<b>Sub Total</b>	<b>3,344</b>	<b>4,111</b>	<b>-19%</b>
Lloyd	587	832	-29%
<b>Total</b>	<b>3,931</b>	<b>4,943</b>	<b>-20%</b>

\*The Company has reviewed its segments classification effective 1<sup>st</sup> April 2020. The product categories which are not strictly subscribing to the specific category has been independently classified under Others. Others include Motor, Pump, Solar, Personal Grooming and Water Purifier businesses. The comparative figures for earlier periods have been accordingly reclassified.

**Table 1.6: Segment wise margin analysis – Half Yearly**

<b>(I) Contribution margins (%) ^</b>	<b>H1 FY21</b>	<b>H1 FY20</b>
Switchgears	39.2%	41.8%
Cable	15.4%	17.5%
Lighting & Fixtures	27.2%	30.2%
Electrical Cons. Durables	25.4%	26.7%
Others	19.3%	19.8%
<b>Sub total</b>	<b>23.7%</b>	<b>25.7%</b>
Lloyd	11.7%	13.9%*
<b>Total</b>	<b>21.9%</b>	<b>23.7%*</b>

^ Contribution margins are derived after deducting material cost, manufacturing variables, direct selling variables and depreciation from the net revenue

\* Contribution margins in Lloyd in H1 FY20 are before unabsorbed expenses of Rs. 15 crores related to AC plant

**(II) Segment results (%)**

**(In crores of Rupees)**

<b>Segments</b>	<b>H1 FY21</b>			<b>H1 FY20</b>		
	<b>Net Sales</b>	<b>Segment result</b>	<b>% to NS</b>	<b>Net Sales</b>	<b>Segment result</b>	<b>% to NS</b>
Switchgears	560	144	25.7%	705	171	24.1%
Cable	1,246	148	11.9%	1,600	189	11.8%
Lighting	403	55	13.7%	504	66	13.2%
ECD	881	154	17.5%	1,052	154	14.6%
Others	254	10	3.7%	250	(16)	(6.5%)
<b>Sub total</b>	<b>3,344</b>	<b>511</b>	<b>15.3%</b>	<b>4,111</b>	<b>564</b>	<b>13.7%</b>
Lloyd	587	11	2.0%	832	(36)	(4.3%)
<b>Total</b>	<b>3,931</b>	<b>522</b>	<b>13.3%</b>	<b>4,943</b>	<b>528</b>	<b>10.7%</b>
-Finance cost		34	0.9%		10	0.2%
-Unallocable exp.		(21)	(0.5%)		46	0.9%
<b>PBT</b>		<b>509</b>	<b>13.0%</b>		<b>472</b>	<b>9.5%</b>

**Table 1.7: Balance Sheet highlights**

In crores of Rupees	30-Sep-20 (Unaudited)	31-Mar-20 (Audited)
<b>ASSETS</b>		
Property, plant and equipment	1,796	1,899
Capital work in progress	88	83
Goodwill	310	310
Other intangible assets	1,127	1,140
Intangible assets under development	3	3
Investment in subsidiaries	2	2
Contract assets	55	61
Financial assets		
(i) Trade receivables	6	8
(ii) Other Bank Balance	75	-
(iii) Other financial assets	20	21
Other non-current assets	50	51
Non-current tax asset (net)	20	17
<b>Non-current assets total</b>	<b>3,553</b>	<b>3,594</b>
<b>Current assets</b>		
Inventories	1,768	1,872
Contract assets	22	20
Financial assets		
(i) Trade receivables	331	241
(ii) Cash and cash equivalents	238	242
(iii) Bank balances other than (ii) above	2,177	865
(iv) Other financial assets	28	29
Other current assets	123	165
Assets held for sale	19	20
<b>Sub-total</b>	<b>4,706</b>	<b>3,454</b>
<b>Total Assets</b>	<b>8,259</b>	<b>7,048</b>
<b>EQUITY AND LIABILITIES</b>		
Equity share capital	63	63
Other equity	4,638	4,242
<b>Total Equity</b>	<b>4,701</b>	<b>4,305</b>
<b>Non-current liabilities</b>		
Contract liability	4	4
Financial liabilities		
(i) Borrowings	336	-
(ii) Other financial liabilities	71	91
Provisions	42	36
Deferred tax liabilities (Net)	301	287
Other non-current liabilities	18	18
<b>Sub-total</b>	<b>772</b>	<b>435</b>
<b>Current liabilities</b>		
Contract liability	12	16
Financial liabilities		
(i) Borrowings	692	-
(ii) Trade payables		
a) Total outstanding dues of Micro Ent. and Small Ent.	115	106
b) Total outstanding dues of other than above	999	1,308
(iii) Other financial liabilities	574	563
Other current liabilities	84	105
Provisions	233	210
Current tax liabilities (Net)	77	-
<b>Sub-total</b>	<b>2,786</b>	<b>2,308</b>
<b>Total Equity and Liabilities</b>	<b>8,259</b>	<b>7,048</b>

- Cash and Cash Equivalents higher on account of:
  - Return of normalcy in working capital levels
  - Short term debt maintained for exigencies
  - Improved profitability

**Table 1.8: Cash flow**

<b>In crores of rupees</b>	<b>Sep 20 YTD</b>	<b>Sep 19 YTD</b>
PBT	510	472
Depreciation	119	100
Others	(52)	(38)
<b>Working Capital Changes</b>	<b>(223)</b>	<b>(341)</b>
Taxes Paid	(32)	(106)
<b>Operating Net Cash Flow (A)</b>	<b>322</b>	<b>87</b>
Capex	(80)	(261)
Proceeds from sale of fixed assets	94	0
Fixed deposits and investments made during the period	(1,368)	12
Interest received	28	30
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(1,326)</b>	<b>(219)</b>
Dividends paid	-	(340)
Net borrowings availed / (repaid)	1,028	(27)
Others	(28)	5
<b>Net Cash Flow from Financing Activities (C)</b>	<b>1,000</b>	<b>(362)</b>
<b>Net Cash Flow (A+B+C)</b>	<b>(4)</b>	<b>(494)</b>
Cash and cash equivalents at the beginning	242	681
Effect of exchange diff. on cash and cash equ. held in foreign currency	(1)	(1)
<b>Cash and Cash Equivalents at the end of the period</b>	<b>237</b>	<b>186</b>
<b>Bank balances other than cash and cash equivalents above</b>	<b>2,252</b>	<b>607</b>
<b>Cash &amp; bank balances and investments</b>	<b>2,489</b>	<b>793</b>

- Non-essential Capex has been deferred, though gradual increase expected going forward
- Land and building at Kasna (UP), being unutilized, was divested during September quarter for a consideration of Rs. 94 crores

**Table 1.9: Cash (net of debt)**

(in crores of rupees)	30 <sup>th</sup> Sep 2020	30 <sup>th</sup> Sep 2019
1. Short Term	336	54
2. Long Term	737	14
Total Debt	1,073	68
Less: Cash and investments	2,489	793
<b>Net cash</b>	<b>1,416</b>	<b>725</b>

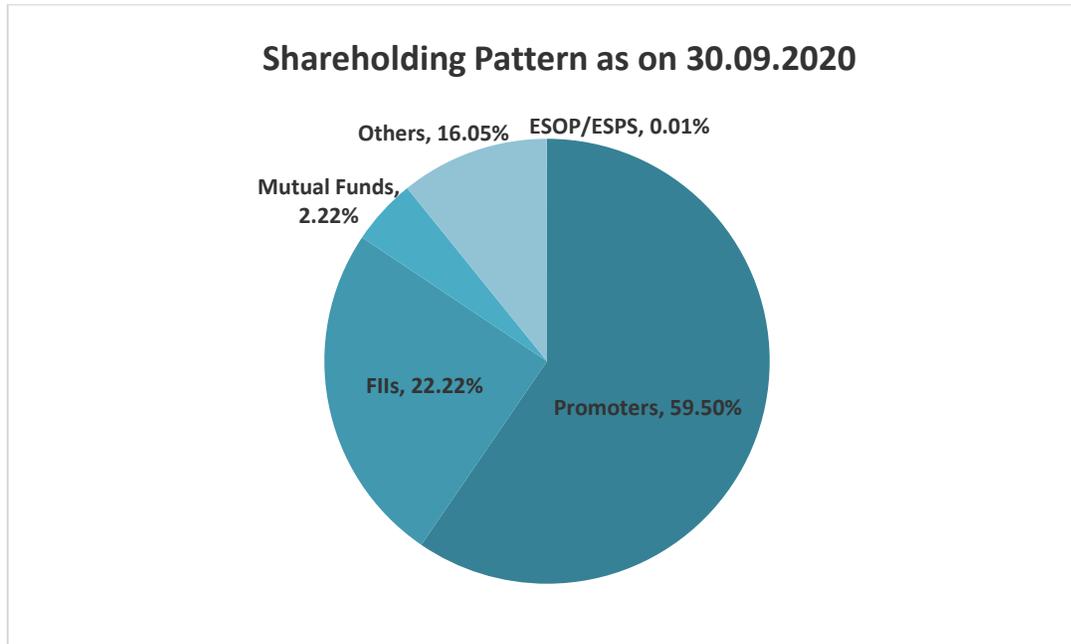
**Table 1.10 Financial Ratios (Havells India Standalone)**

Financial Ratios	Q2 FY21	Q2 FY20
<b>Profitability</b>		
OPM % {EBIDTA/NR}	17.2%	10.5%
RONW % {PAT TTM / Avg. NW}	17.8%	18.5%
ROCE % {EBIDTA TTM / Avg. CE}	21.3%	26.9%
<b>Liquidity Ratio</b>		
Current Ratio {CA/CL}	1.7	1.5
Debtor Days {Debtors/NR}	13	15
Inventory Days {Inventories/NR}	66	75
Creditor Days {Creditors/NR}	42	46
<b>Net working capital days*</b>	<b>37</b>	<b>44</b>

\*based on quarterly sales

## SECTION 2. SHAREHOLDING RELATED INFORMATION

**Table 2.1: Shareholding pattern**



### **DISCLOSURE OF INFORMATION, COMMUNICATION WITH INVESTORS / ANALYSTS / FINANCIAL COMMUNITY**

Havells will be issuing fresh Information Update, like the one you are reading now; on the day it declares its Quarterly/ Half Yearly Financial Results. Some forward looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions. Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints. The information contained in such updates is made public and does not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992. For further information / clarification, you may contact Mr. Manish Kaushik, Senior General Manager at Havells India Limited, QRG Towers, 2D Sector 126, Expressway, Noida UP (India), Tel: +91-120-4771000 Fax no.: +91-120-4772000; **E-mail: [ir@havells.com](mailto:ir@havells.com)**.