

21<sup>st</sup> January, 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 Q3 2019-20**

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 and 33 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 third quarter and nine months ended 31<sup>st</sup> December, 2019.

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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CIN: L31000DL1983PL10118304  
GSTIN: 00AAACH361E123

# Havells India Limited

**Q3 FY20** {DEC 31, 2019}  
{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 approved by the Board of Directors in their meeting held on 21<sup>st</sup> Jan 2020.

CIN: L31900DL1983PLC016304

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## SECTION 1. HAVELLS INDIA LIMITED (STANDALONE)

**Table 1.1: P&L Summary: Quarterly**

In crores of Rupees	Q3 FY 20	Q3 FY 19	Change %
<b>Net Revenue</b>	<b>2,269</b>	<b>2,518</b>	<b>(10%)</b>
<b>Contribution as a % to NR</b>	<b>535 23.6%</b>	<b>596 23.7%</b>	<b>(10%)</b>
Add: Depreciation / Amortization	55	35	
Less: Advertisement and Sales Promotion as a % to NR	77 3.4%	91 3.6%	<b>(15%)</b>
Less: Other SG&A as a % to NR	246 10.8%	249 9.9%	<b>(1%)</b>
<b>EBIDTA as a % to NR</b>	<b>267 11.8%</b>	<b>291 11.6%</b>	<b>(8%)</b>
Depreciation / Amortization	55	35	
Interest Expense	5	4	
Foreign Exchange (gain)/loss	(5)	(11)	
Interest Income (C)	15	18	
Others (D)	4	8	
Add: Other Income (C) + (D)	19	26	
<b>Profit before tax as a % to NR</b>	<b>231 10.2%</b>	<b>289 11.5%</b>	<b>(20%)</b>
Tax	31	93	
<b>Net Profit as a % to NR</b>	<b>200 8.8%</b>	<b>196 7.8%</b>	<b>2%</b>
Other Comprehensive Income/ (Expense)	(1)	(1)	
<b>Total Comprehensive Income</b>	<b>199</b>	<b>195</b>	

### Results Summary

- The deterioration in economic macros, sectoral liquidity challenges and slowdown in infrastructure segment has disproportionately impacted demand for industrial cables, professional lighting and industrial switchgear
- The general consumer sentiment has also been weak though we have managed to remain stable in consumer categories
- Despite softness in revenues, contribution and EBIDTA margins have been maintained owing to cost rationalization and increased cost consciousness at each level
- Sequentially, we have improved our margin performance in Q3 over Q2 and on similar sales level, our profits are higher by ~10%

**Table 1.2: Business wise net revenue analysis: Quarterly**

In crores of rupees	Q3 FY20	Q3 FY19	Change (%)
Switchgears*	371	393	(5%)
Cables	712	820	(13%)
Lighting & Fixtures	295	319	(8%)
Electrical Cons. Durables*	581	578	0%
Others	10	51	--
<b>Sub Total</b>	<b>1,969</b>	<b>2,161</b>	<b>(9%)</b>
Lloyd	300	357	(16%)
<b>Total</b>	<b>2,269</b>	<b>2,518</b>	<b>(10%)</b>

- Switchgear category largely impacted by decline in Industrial switchgear owing to sluggish infrastructure and Government driven procurement
- Domestic wires grew in low single digits. Power cables was weighed down by industrial and infrastructure slowdown and fall in prices of commodities
- Consumer lighting has remained stable underpinning portfolio and distribution resilience. Professional lighting negatively affected owing to projects logjam
- Lloyd revenues impacted by disruption in LED TV business. Air conditioners performed reasonably
- Others refers to B2G lighting project business

\*The Company has re-organised its internal reporting effective April 01, 2019 and accordingly, Pump business which was earlier clubbed under Switchgear segment is being shown under "Electrical consumer durables" Segment. The comparative figures for earlier periods have been accordingly re-stated

**Table 1.3: Business wise contribution margin (as a % of net revenue) analysis: Quarterly update**

	Q3 FY20			Q3 FY19			Q2 FY20
	Revenue Mix %	Contribution	Contribution Margins %	Revenue Mix %	Contribution	Contribution Margins %	Contribution Margins %
Switchgears	19%	148	39.8%	18%	160	40.7%	39.9%
Cables	36%	125	17.5%	38%	129	15.8%	18.4%
Lighting & Fixtures	14%	82	28.0%	15%	95	29.8%	25.6%
Electrical Cons. Durables	30%	149	25.7%	27%	145	25.0%	25.1%
Others	1%	7	67.8%	2%	14	27.1%	74.7%
<b>Sub Total</b>	<b>100%</b>	<b>511</b>	<b>26.0%</b>	<b>100%</b>	<b>543</b>	<b>25.1%</b>	<b>25.6%</b>
<b>Lloyd</b>	<b>-</b>	<b>24</b>	<b>7.8%</b>	<b>-</b>	<b>53</b>	<b>14.9%</b>	<b>3.0%*</b>
<b>Total</b>	<b>100%</b>	<b>535</b>	<b>23.6%</b>	<b>100%</b>	<b>596</b>	<b>23.7%</b>	<b>23.4%</b>

**Contribution by Segment**

- Contribution margins maintained / improved both sequentially and YoY
- Cost rationalisation initiatives during last quarter have supported contribution margins
- Lloyd margins impacted due to loss in LED TV business.

\* Before unabsorbed expenses of Rs. 10 crores on account of recently commenced AC plant

**Table 1.4: P&L Summary: Nine months**

In crores of Rupees	9M FY 20	9M FY 19	Change %
<b>Net Revenue</b>	<b>7,212</b>	<b>7,306</b>	<b>(1%)</b>
<b>Contribution as a % to NR</b>	<b>1,693 23.5%</b>	<b>1,750 24.0%</b>	<b>(3%)</b>
Add: Depreciation / Amortization	155	110	
Less: Advertisement and Sales Promotion as a % to NR	288 4.0%	281 3.8%	2%
Less: Other SG&A as a % to NR	783 10.9%	709 9.7%	10%
<b>EBIDTA as a % to NR</b>	<b>777 10.8%</b>	<b>870 11.9%</b>	<b>(11%)</b>
Depreciation / Amortization	155	110	
Interest Expense	15	10	
Foreign Exchange (gain)/loss	(21)	(7)	
Interest Income (C)	58	63	
Others (D)	14	27	
Add: Other Income (C) + (D)	72	90	
<b>Profit before tax as a % to NR</b>	<b>700 9.7%</b>	<b>847 11.6%</b>	<b>(17%)</b>
Tax	144	262	
<b>Net Profit as a % to NR</b>	<b>556 7.7%</b>	<b>585 8.0%</b>	<b>(5%)</b>
Other Comprehensive Income/(Expense)	(5)	(2)	
<b>Total Comprehensive Income</b>	<b>551</b>	<b>583</b>	

**Table 1.5: Business wise net revenue analysis: Nine months**

In crores of rupees	9M FY20	9M FY19	Change (%)
Switchgears*	1,147	1,169	(2%)
Cables	2,312	2,337	(1%)
Lighting & Fixtures	835	861	(3%)
Electrical Cons. Durables*	1,755	1,563	12%
Others	31	53	--
<b>Sub Total</b>	<b>6,080</b>	<b>5,983</b>	<b>2%</b>
Lloyd	1,132	1,323	(14%)
<b>Total</b>	<b>7,212</b>	<b>7,306</b>	<b>(1%)</b>

\*The Company has re-organised its internal reporting effective April 01, 2019 and accordingly, Pump business which was earlier clubbed under Switchgear segment is being shown under "Electrical consumer durables" Segment. The comparative figures for earlier periods have been accordingly re-stated

**Table 1.6: Business wise contribution margin analysis: Nine months**

	9M FY20			9M FY19		
	Revenue Mix %	Contribution	Contribution Margins %	Revenue Mix %	Contribution	Contribution Margins %
Switchgears	19%	456	39.7%	20%	468	40.0%
Cables	38%	404	17.5%	39%	364	15.6%
Lighting & Fixtures	14%	229	27.4%	14%	252	29.3%
Electrical Cons. Durables	29%	461	26.3%	26%	415	26.6%
Others	0%	19	62.2%	1%	13	24.3%
<b>Sub Total</b>	<b>100%</b>	<b>1,569</b>	<b>25.8%</b>	<b>100%</b>	<b>1,512</b>	<b>25.3%</b>
<b>Lloyd</b>	<b>-</b>	<b>124</b>	<b>11.0%</b>	<b>-</b>	<b>238</b>	<b>18.0%</b>
<b>Total</b>	<b>100%</b>	<b>1,693</b>	<b>23.5%</b>	<b>100%</b>	<b>1,750</b>	<b>24.0%</b>

**Table 1.7: Balance Sheet highlights: Standalone**

In crores of Rs.	As at Dec 19 Unaudited	As at March 19 Audited
<b>ASSETS</b>		
Fixed Assets (incl. Intangibles)	3,442	3,133
Other long-term assets	214	235
<b>Current assets</b>		
Inventories	1,761	1,917
Trade receivables	295	405
Other financial assets	<u>205</u>	<u>204</u>
	<b>2,261</b>	<b>2,526</b>
Cash and cash equivalents	1,152	1,285
<b>Total Assets</b>	<b>7,069</b>	<b>7,179</b>
<b>EQUITY AND LIABILITIES</b>		
Equity share capital	63	63
Reserves and Surplus	<u>4,416</u>	<u>4,180</u>
<b>Equity</b>	<b>4,479</b>	<b>4,243</b>
<b>Non-current liabilities</b>		
Borrowings	-	41
Other non-current liabilities	134	54
Deferred tax liabilities	308	322
<b>Current liabilities</b>		
Other current liabilities	318	351
Trade payables	1,175	1,559
Other financial liabilities	<u>655</u>	<u>609</u>
	<b>2,148</b>	<b>2,519</b>
<b>Total Equity and Liabilities</b>	<b>7,069</b>	<b>7,179</b>

- Increase in fixed assets is on account of investments towards capacity enhancement at various manufacturing units. Intangibles include lease assets created on account of adoption of Ind-AS 116



**Table 1.8: Cash flow highlights: Standalone**

	Dec-19 YTD	FY 19
PBT	700	1,155
Depreciation	155	149
Others	(33)	(69)
<b>Working Capital Changes</b>	<b>(152)</b>	<b>(475)</b>
Taxes Paid	(165)	(247)
<b>Operating Net Cash Flow (A)</b>	<b>505</b>	<b>513</b>
Capex	(334)	(501)
Fixed deposits (made)/ matured during the period	(152)	617
Interest received	47	80
Others	9	(18)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(430)</b>	<b>178</b>
Dividends paid	(340)	(302)
Others	(28)	(9)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(368)</b>	<b>(311)</b>
<b>Net Cash Flow (A+B+C)</b>	<b>(293)</b>	<b>380</b>
Cash & cash equ. In the beginning	678	301
Effects of exchange difference	(2)	(3)
<b>Cash &amp; cash equ. at the end</b>	<b>383</b>	<b>678</b>
<b>Bank balance other than cash &amp; cash equ. above</b>	<b>769</b>	<b>607</b>
<b>Cash and Bank balances</b>	<b>1,152</b>	<b>1,285</b>

- Capex for the period majorly pertains to investment in plants for wires, water heaters, switches and air conditioners

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

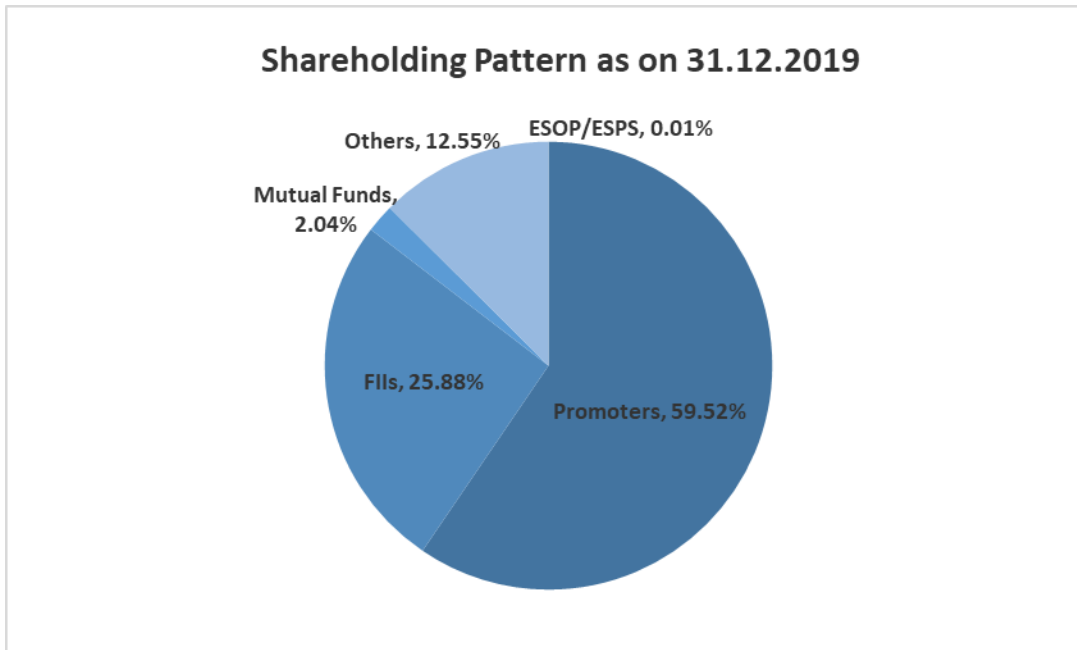
In crores of rupees	Q3 FY20	Q3 FY19
1. Short Term	54	54
2. Term loan	-	54
Total debt	54	108
Less: Cash	1,152	1,084
<b>Net cash</b>	<b>1,098</b>	<b>976</b>

**Table 1.10: Financial Ratios (Standalone)**

Financial Ratios	Q3 FY20	Q3 FY19
<b>Profitability</b>		
OPM (%) {EBIDTA/NR}	11.8%	11.6%
ROCE % {EBITDA TTM/ Avg. CE}	25.7%	31.8%
RONW % {PAT TTM/ Avg. NW}	18.1%	22.0%
<b>Liquidity Ratios</b>		
Current Ratio {CA/CL}	1.6	1.5
Debtors days {Debtors /NR TTM}	11	10
Inventory days {Inventories /NR TTM}	64	77
Creditors days {TC /NR TTM}	43	53
<b>Net working capital days</b>	<b>32</b>	<b>34</b>

## SECTION 2. SHAREHOLDING RELATED INFORMATION

**Table 2.1: Shareholding Pattern**



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

Havells issues 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015. For further information / clarification, you may contact Mr. Manish Kaushik, Senior GM (Finance) at Havells India Limited, QRG Towers, 2D Sector 126, Expressway, Noida UP (India), Tel: +91-120-3331000 Fax no.: +91-120-3332000; **E-mail: [ir@havells.com](mailto:ir@havells.com)**.