

# Havells India Limited

**Q2 2014-15** {SEPTEMBER 30, 2014}  
{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 22<sup>nd</sup> October 2014.

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## Key Highlights

### QUARTERLY RESULTS HIGHLIGHT

(Rs in crores)	Q2-FY14	Q2-FY15	Change%
<b><u>Havells (Standalone)</u></b>			
Revenue	1,174	1,365	16%
Contribution Margins	258	307	19%
Operating Profit (EBIDTA)	169	180	7%
Profit before tax	155	166	7%
Profit after tax	126	120	(5)%

(In Euro mn)

#### **Sylvania Global**

Revenue	€ 106.8	€ 112.5	5%
Operating Profit (EBIDTA)	€ 3.1	€ 4.6	48%
Profit before tax	€ (0.8)	€ 0.2	-
Profit after tax	€ (1.6)	€ (1.1)	-

(Rs in crores)

#### **Consolidated**

Revenue	2,030	2,207	9%
Operating Profit (EBIDTA)	195	220	13%
Profit before tax	148	170	15%
Profit after tax	112	113	1%

## SECTION 1. HAVELLS INDIA (STANDALONE)

### A. Q2 2014-15 RESULTS ANALYSIS

Table 1.1: P&L Summary (Havells India) - Quarterly

	Q2	Q2	Change	Q1
In crores of rupees	FY14	FY15	(%)	FY15
Net Revenue	1,174.0	1,365.1	16%	1,276.9
<b>Contribution Margin</b>	<b>257.9</b>	<b>307.0</b>	<b>19%</b>	<b>282.1</b>
<i>as a % of NR</i>	<i>22.0%</i>	<i>22.5%</i>		<i>22.1%</i>
Advertisement and Sales Promotion	15.2	47.3		46.9
<i>as a % of NR</i>	<i>1.3%</i>	<i>3.5%</i>		<i>3.7%</i>
Other SG&A	73.6	79.4		74.1
<b>EBIDTA</b>	<b>169.1</b>	<b>180.3</b>	<b>7%</b>	<b>161.1</b>
<i>as a % of NR</i>	<i>14.4%</i>	<i>13.2%</i>		<i>12.6%</i>
<b>Depreciation</b>	<b>15.9</b>	<b>22.5</b>		<b>20.8</b>
Interest expense (A)	3.4	3.4		3.2
Foreign exchange gain)/ loss (B)	2.7	2.5		0.1
<b>Finance Cost (A)+(B)</b>	<b>6.1</b>	<b>5.9</b>		<b>3.3</b>
<b>Foreign Exchange (gain)/ loss</b>	<b>(0.5)</b>	<b>(3.0)</b>		<b>(1.1)</b>
Interest Income (C)	6.1	9.0		10.3
Others (D)	1.7	2.5		1.2
<b>Add: Other Income (C)+(D)</b>	<b>7.8</b>	<b>11.5</b>		<b>11.5</b>
<b>Profit before tax</b>	<b>155.4</b>	<b>166.4</b>	<b>7%</b>	<b>149.6</b>
<i>as a % of NR</i>	<i>13.2%</i>	<i>12.2%</i>		<i>11.7%</i>
Tax	29.6	46.8		42.3
<b>Net Profit</b>	<b>125.7</b>	<b>119.6</b>	<b>(5)%</b>	<b>107.3</b>
<i>as a % of NR</i>	<i>10.7%</i>	<i>8.8%</i>		<i>8.4%</i>

#### Results summary

- The company continues to invest aggressively in brand Havells. This would help in expanding our brand further to capture the next level of growth by reaching out to a larger cross section of the market audience and help us in ushering the next phase of consumerism.
- Thus the advertisement and sales promotion expense in the current quarter has increased and has impacted the EBIDTA margins.
- There has been an increase in tax rate during the year due to reduction or expiry of available tax exemption in certain manufacturing plants of the company. Higher tax rate drove lower PAT growth. The tax amount has been calculated based on certain applicable rate ~28% for the full year 2014-15.
- Under the new Companies Act 2013 there has been a change in calculation of depreciation. Thus depreciation in Q2FY15 has increased by Rs 4.8 crores.

**Table 1.2: Segment wise Revenue analysis (Havells India) - Quarterly**

In crores of rupees	Q2 FY14	Q2 FY15	Change (%)
Switchgears	313.5	<b>338.7</b>	8%
Cable	487.4	<b>591.4</b>	21%
Lighting & Fixtures	179.8	<b>193.6</b>	8%
Electrical Cons. Durables	193.3	<b>241.4</b>	25%
<b>Total</b>	<b>1,174.0</b>	<b>1,365.1</b>	<b>16%</b>

- In cable segment the growth in power cable has normalized in the current quarter. Better growth in flexible cable aided the growth in cables segment.
- As the product mix shift trend towards fixtures continues to prevail, luminaries have been driving growth in the lighting and fixtures segment.
- Improved consumer sentiment continues to drive growth in the electrical consumer durables.

**Table 1.3: Segment wise contribution margin analysis (Havells India) - Quarterly**

	Q2 FY14			Q2 FY15		
	Revenue Mix %	Contribution Margins	Contribution Margins %	Revenue Mix %	Contribution Margins	Contribution Margins %
Switchgears	27%	114.6	36.6%	25%	123.9	36.6%
Cable	42%	49.9	10.2%	43%	70.9	12.0%
Lighting & Fixtures	15%	40.5	22.5%	14%	52.1	26.9%
Electrical Cons. Durables	16%	52.9	27.4%	18%	60.1	24.9%
<b>Total</b>	<b>100%</b>	<b>257.9</b>	<b>22.0%</b>	<b>100%</b>	<b>307.0</b>	<b>22.5%</b>

**Contribution by Segment**

- Contribution margins are derived after deducting material cost, manufacturing variables, direct selling variables and depreciation from the net revenue.
- Focus on profitability in both industrial and flexible cables. Higher growth in Flexible cable favoring product mix change led to improvement in margin in cable division.
- Improvement in margin in lighting & fixtures segment resulted from efficiencies drawn from cost management and shifting towards in-house manufacturing.
- In Electrical Consumer durables there has been aggressive campaigning for new products launched i.e appliances along with increased service activities resulting in higher cost during Q2FY15 and will normalize in the festive season.

**Table 1.4: P&L Summary (Havells India) – Half Yearly**

	H1 FY14	H1 FY15	Change (%)
In crores of rupees			
Net Revenue	2,225.3	<b>2,642.0</b>	<b>19%</b>
<b>Contribution Margin</b> <i>as a % of NR</i>	<b>494.9</b> 22.2%	<b>589.1</b> 22.3%	<b>19%</b>
Advertisement and Sales Promotion <i>as a % of NR</i>	60.2 2.7%	94.2 3.6%	
Other SG&A	124.7	153.5	
<b>EBIDTA</b> <i>as a % of NR</i>	<b>310.0</b> 13.9%	<b>341.4</b> 12.9%	<b>10%</b>
<b>Depreciation</b>	31.5	43.3	
Interest expense (A)	6.4	6.6	
Foreign exchange gain)/ loss (B)	5.3	2.6	
<b>Finance Cost (A)+(B)</b>	11.7	9.2	
<b>Foreign Exchange (gain)/ loss</b>	7.1	(4.1)	
Interest Income (C)	8.6	19.3	
Others (D)	2.4	3.7	
<b>Add: Other Income (C)+(D)</b>	11.0	23.0	
<b>Profit before tax</b> <i>as a % of NR</i>	<b>270.7</b> 12.2%	<b>316.0</b> 12.0%	<b>17%</b>
Tax	50.3	89.1	
<b>Net Profit</b> <i>as a % of NR</i>	<b>220.4</b> 9.9%	<b>226.9</b> 8.6%	<b>3%</b>

- Continued positive growth momentum led by improvement in consumer sentiment.
- Consistent brand building with advertising in H1FY15. The advertisement and sales promotion expenses during H1FY15 increased to Rs 94.2 crores (3.6% of net revenue) from Rs 60.2 crores (2.7% of net revenue) in H1FY14.
- With a change in calculation of depreciation under new Companies Act 2013, there has been an increase in the depreciation by Rs 9.7 crores in H1FY15.
- Higher applicable tax due to reduction /expiry of available tax exemption in certain manufacturing plants of the company i.e. ~28% for the full year 2014-15 drove lower Profit after Tax.

**Table 1.5: Segment wise Revenue analysis (Havells India) – Half Yearly**

In crores of rupees	H1 FY14	H1 FY15	Change (%)
Switchgears	589.5	<b>646.0</b>	10%
Cable	892.3	<b>1126.2</b>	26%
Lighting & Fixtures	328.0	<b>359.0</b>	9%
Electrical Cons. Durables	415.5	<b>510.8</b>	23%
<b>Total</b>	<b>2,225.3</b>	<b>2,642.0</b>	<b>19%</b>

- Growth in cables aided by better growth in flexible cables.
- The lighting product portfolio has been diversifying more towards LED.

**Table 1.6: Segment wise contribution margin analysis (Havells India) – Half Yearly**

	Revenue Mix %	H1 FY14		Revenue Mix %	H1 FY15	
		Contribution Margins	Contribution Margins %		Contribution Margins	Contribution Margins %
Switchgears	26%	214.2	36.3%	24%	236.0	36.5%
Cable	40%	90.4	10.1%	43%	129.6	11.5%
Lighting & Fixtures	15%	77.7	23.7%	14%	95.1	26.5%
Electrical Cons. Durables	19%	112.6	27.1%	19%	128.4	25.1%
<b>Total</b>	<b>100%</b>	<b>494.9</b>	<b>22.2%</b>	<b>100%</b>	<b>589.1</b>	<b>22.3%</b>

**Contribution by Segment**

- Focus on profitability in both industrial and flexible cables. Higher growth in flexible cable favoring product mix change led to improvement in margin in cable division.
- The lighting & fixtures margins improved as a result of the product mix shift towards better margin fixtures and efficiencies drawn from cost management and shifting towards in-house manufacturing.

**Table 1.7: Balance Sheet highlights (Havells India standalone)**

In crores of rupees	As at March 14 <i>Audited</i>	As at Sept 14 <i>Un-Audited</i>
<b>Shareholders' Fund</b>		
Share Capital	62.4	62.4
Reserves and Surplus	2,067.5	2,300.8
	2,129.9	2,363.2
<b>Loan Funds</b>		
Term loans	120.1	102.7
Working Capital Loan	-	-
Fixed Deposit	63.0	-
Deferred Tax Liability	51.7	45.7
Other Non-current liabilities	42.5	6.0
<b>Current Liabilities</b>		
Short term borrowings	12.4	23.2
Trade Payables	439.6	469.0
Others	538.9	514.0
<b>Total</b>	<b>3,398.1</b>	<b>3,523.8</b>
<b>Fixed Assets</b>		
Fixed Assets	934.1	965.0
Investments	882.5	918.6
Other non-current assets	71.5	48.5
<b>Current Assets</b>		
Inventories	682.7	891.6
Trade receivables	136.5	169.5
Cash & Bank balance	626.1	438.3
Others	64.7	92.3
<b>Total</b>	<b>3,398.1</b>	<b>3,523.8</b>

**Summary**

- Rs 17.7 crores (Euro 2.2 million) was invested in Q2FY15 in Havells Holdings Limited to repay the installment of recourse debt of Euro 26 million which reduces the Havells guarantee by the same amount. As on 30<sup>th</sup> September 2014 total outstanding principal amount is Euro 13.0 million.
- Fixed deposits under loan funds are from dealers under dealer incentive scheme. The funds under the scheme have been deployed under separate scheme.



**Table 1.8: Cash flow highlights (Havells India)**

In crores of rupees	Sept 13	Sept 14
<b>Profit before tax</b>	<b>270.7</b>	<b>316.0</b>
Unrealised foreign exchange (gain)/loss(net)	13.7	0.1
Other Adjustments	37.3	29.8
<b>Operating Profit before working capital changes</b>	<b>321.7</b>	<b>345.9</b>
Movement in working capital		
(Increase)/Decrease in trade receivables	8.5	(31.8)
(Increase)/Decrease in inventories	(60.7)	(208.9)
Increase/(Decrease) in trade payables	52.4	30.1
Others	47.9	73.4
<b>Cash generated from/(used) in operations</b>	<b>369.8</b>	<b>208.7</b>
Direct taxes paid(net of refunds)	(42.1)	(75.9)
<b>Net cash flow from/(used)in Operating Activities(A)</b>	<b>327.7</b>	<b>132.8</b>
<b>Cash Flow from Investing Activities</b>		
Capital Expenditure	(44.3)	(75.2)
Investment in shares of subsidiary companies	(38.3)	(36.1)
Others	9.1	(24.1)
<b>Net Cash flow from/(used)in investing Activities (B)</b>	<b>(73.5)</b>	<b>(135.4)</b>
<b>Cash Flow from Financing Activities</b>		
(Repayment)/Proceeds of borrowing	46.3	(72.3)
Dividend payout	(93.6)	(124.8)
Interest expenses	(6.4)	(8.2)
Others	(12.8)	(11.3)
<b>Net cash flow from/(used)in Financing Activities(C)</b>	<b>(66.5)</b>	<b>(216.6)</b>
<b>Net increase/decrease in cash &amp; cash equivalents (A+B+C)</b>	<b>187.7</b>	<b>(219.2)</b>
Opening Cash	246.5	399.7
Others	0.6	0.1
<b>Closing Cash</b>	<b>434.8</b>	<b>180.6</b>

**Cash Flow – Highlights**

- Continued stronger cash flow in business although there has been an increase in inventory and applicable tax rate, impacting cash flow from operations. Cash deployment has increased mainly due to higher stocking of inventory to cater to the approaching festive season.
- Cash flow from investing activities includes capex of Rs 36.6 crores for water heater plant being set up at Neemrana.
- Higher dividend payout and repayment of debt impacted net cash flow from financing activities.

**Table 1.9: Total Net Debt (Havells Standalone)**

In crores of rupees	31 March 2014	30 Sept 2014
1. Short Term	12.4	23.2
2. Term loan	120.1	102.7
3. Deposits	63.0	-
Total debt	195.5	125.9
Less: Cash	626.1	438.3
<b>Total Net debt</b>	<b>(430.6)</b>	<b>(312.4)</b>

- Term loan includes External Commercial Borrowing of USD 20 million from HSBC bank (Mauritius) Limited repayable in 12 equal quarterly repayment of USD 16,66,667 started from April 2014.
- As on 30<sup>th</sup> September 2014 total outstanding principal amount is USD 16.7 million.
- Repayment of Rs 10.0 crores done in Q2FY15.

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

Financial Ratios	Q2FY14	Q2FY15
<b>Profitability</b>		
OPM (%) {EBITDA/NR}	14.4%	13.2%
PAT % {PAT/NR}	10.7%	8.8%
ROCE % {EBITDA TTM/ Average CE}	29.4%	30.0%
RONW % {PAT TTM/ Average NW}	22.0%	21.8%
<b>Liquidity Ratio</b>		
Current Ratio {CA/CL}	1.6	1.5
Debtors days {Debtors /NR TTM}	10	12
Inventory days {Inventories /NR TTM}	59	62
Creditors days {TC /COGS TTM}	59	54
<b>Net Working Capital - days</b>	<b>10</b>	<b>20</b>
<b>Leverage Ratio</b>		
Debt/Total Equity	0.1	0.1

**Key Ratios**

- Improvement in return on average capital employed.
- However there has been increase in working capital in Q2FY15 mainly because of the increase in inventory days.

## SECTION 2. SYLVANIA (STANDALONE)

**Table 2.1: P&L Summary (Sylvania standalone) - Quarterly**

In millions of Euro	Q2FY14	Q2FY15	Change	
			%	Q1FY15
Net Revenue	€ 106.8	€ 112.5	5%	€ 107.2
Operating expenses	€ 103.7	€ 107.0		€ 101.7
Pension liability	-	€ 0.9		€ 0.9
<b>EBIDTA</b>	<b>€ 3.1</b>	<b>€ 4.6</b>		<b>€ 4.6</b>
<i>as a % of NR</i>	<b>2.9%</b>	<b>4.1%</b>		<b>4.3%</b>
Depreciation	€ 1.7	€ 1.7		€ 1.6
Finance Cost	€ 1.3	€ 1.3		€ 1.2
Foreign Exchange (gain)/Loss	€ 1.0	€ 1.3		€ 0.4
Add: other Income	€ 0.1	€ (0.1)		-
Profit before tax	€ (0.8)	€ 0.2		€ 1.4
<i>as % of NR</i>	-	0.2%		1.3%
Tax	€ 0.8	€ 1.3		€ 1.1
<b>Net Profit</b>	<b>€ (1.6)</b>	<b>€ (1.1)</b>		<b>€ 0.3</b>

### Results Summary

- Improvement in topline and margins.
- Comparable EBIDTA in Q2FY15 without provision for pension of Euro 0.9 million would have been Euro 5.5 million (4.9% of net revenue).

**Table 2.2: Region wise revenue and margin analysis (Sylvania)**

### Europe results highlights

In millions of Euro	Q2		Q2		Growth	Q1	
	FY14	%	FY15	%		FY15	%
Net Revenue	€ 59.8		€ 65.1		9%	€ 64.3	
Operating profit- EBIDTA	€ 1.0	1.7%	€ 1.7	2.6%		€ 2.1	3.3%

## Americas (Latin America & USA) results highlights

In millions of Euro	Q2 FY14	%	Q2 FY15	%	Growth	Q1 FY15	%
Net Revenue	€ 40.2		€ 41.0		2%	€ 35.8	
Operating profit- EBIDTA	€ 2.5	6.3%	€ 2.7	6.5%		€ 2.1	5.8%
<b>Financials In US\$ million</b>							
Net Revenue	\$ 53.6		\$ 53.5		(0.2%)	\$ 49.1	
Operating profit- EBIDTA	\$ 3.4	6.3%	\$ 3.5	6.5%		\$ 2.8	5.8%

## Table 2.3: P&L Summary (Sylvania standalone) – Half Yearly

In millions of Euro	H1FY14	H1FY15	Change %
Net Revenue	€ 213.5	€ 219.7	3%
Operating expenses	€ 206.2	€ 208.7	
Pension liability	-	€ 1.8	
<b>EBIDTA</b>	<b>€ 7.3</b>	<b>€ 9.2</b>	
<i>as a % of NR</i>	<b>3.4%</b>	<b>4.2%</b>	
Depreciation	€ 3.4	€ 3.2	
Finance Cost	€ 2.6	€ 2.6	
Foreign Exchange (gain)/Loss	€ 2.5	€ 1.7	
Add: other Income	€ 0.2	€ (0.1)	
Profit before tax	€ (1.0)	€ 1.6	
<i>as % of NR</i>	-	0.7%	
Tax	€ 1.4	€ 2.4	
<b>Net Profit</b>	<b>€ (2.4)</b>	<b>€ (0.8)</b>	

- Improvement in topline and margins.
- Comparable EBIDTA in H1FY15 without provision for pension of Euro 1.8 million would have been Euro 11.0 million (5.0% of net revenue).

**Table 2.4: Balance sheet – Highlights (Sylvania standalone)**

In millions of Euro	As at March 14 <i>Audited</i>	As at Sept 14 <i>Un-Audited</i>	<b>Summary</b>
<b>Shareholders' Fund</b>			
Share Capital	€ 141.3	€ 141.3	<ul style="list-style-type: none"> <li>The standalone balance sheet provides operational performance of Sylvania business along with its subsidiaries up to Malta level.</li> </ul>
Reserves and Surplus	€ (78.1)	€ (76.7)	
	€ 63.2	€ 64.6	
<b>Non-current liabilities</b>			
Long term borrowing	€ 59.5	€ 53.0	
Deferred Tax liability(net)	€ (0.6)	€ (0.8)	
Others	€ 46.9	€ 48.5	
<b>Current Liabilities</b>			
Short term borrowings	€ 12.8	€ 14.7	
Trade Payables	€ 95.1	€ 91.9	
Others	€ 62.6	€ 70.7	
<b>Total</b>	<b>€ 339.5</b>	<b>€ 342.6</b>	
<b>Assets</b>			
Fixed Assets	€ 32.0	€ 31.7	
Other non-current assets	€ 1.1	€ 1.0	
Goodwill	€ 53.0	€ 53.0	
<b>Current Assets</b>			
Inventories	€ 98.6	€ 100.7	
Trade receivables	€ 106.4	€ 107.6	
Cash & Bank balance	€ 28.8	€ 25.3	
Others	€ 19.6	€ 23.3	
<b>Total</b>	<b>€ 339.5</b>	<b>€ 342.6</b>	

**Table 2.5: Total Net Debt**

In millions of Euro	31 March 2014	30 Sept 2014
1.Term Loan	€ 72.5 mn	€ 66.9 mn
2. Other short term	€ 12.8 mn	€ 14.7 mn
3.Capital lease obligation	€ 1.2 mn	€ 1.0 mn
<b>Total debt</b>	<b>€ 86.5 mn</b>	<b>€ 82.6 mn</b>
Less: Cash	€ 28.8 mn	€ 25.3 mn
<b>Net Debt</b>	<b>€ 57.7 mn</b>	<b>€ 57.3 mn</b>

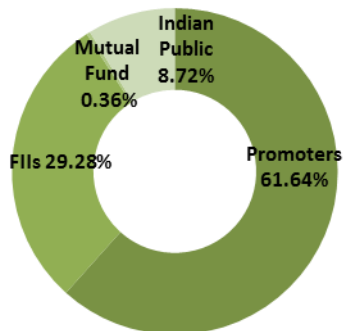
**Table 2.6: Financial Ratios(Sylvania standalone)**

Financial Ratios	Q2FY14	Q2FY15
<b>Profitability</b>		
OPM (%) {EBIDTA/NR}	2.9%	4.1%
PAT % {PAT/NR}	-	-
ROCE % {EBITDA TTM/ Average CE}	-	-
RONW % {PAT TTM/ Average NW}	-	-
<b>Liquidity Ratio</b>		
Current Ratio {CA/CL}	1.6	1.4
Debtors days {Debtors/NR TTM}	86	87
Inventory days {Inventories/NR TTM}	80	81
Creditors days {TC/COGS TTM}	137	144
<b>Net Working Capital-days</b>	<b>29</b>	<b>24</b>

**SECTION 3. SHAREHOLDING RELATED INFORMATION**

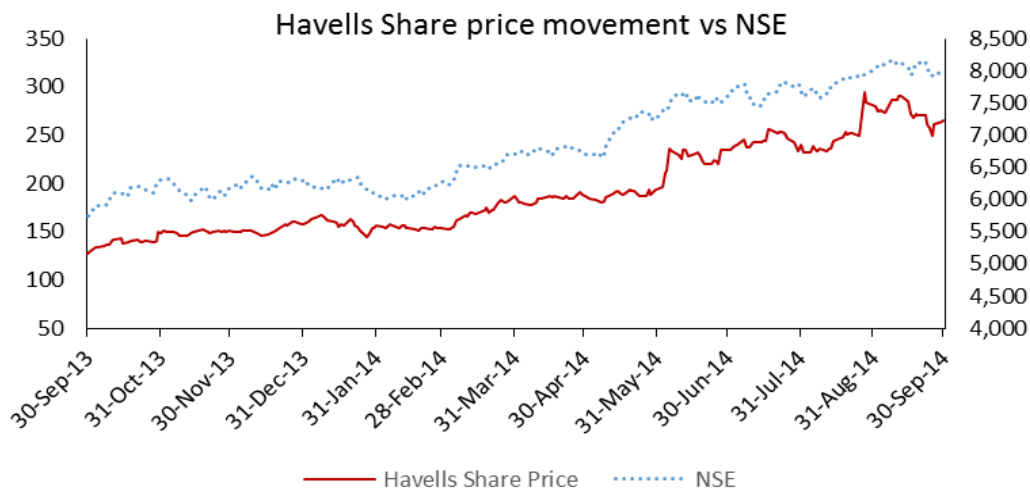
**Table 3.1: Shareholding Pattern**

Shareholding Pattern as on 30.9.14



### **3.2: Stock Price Performance**

The graph below depicts the Havells stock price performance vis-à-vis NSE during Sept 13-Sept 14.



#### **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. Sushil Singhal, DGM (Investor Relations) 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)**.

**HAVELLS INDIA LIMITED**

Regd. Off. : 1, Raj Narain Marg, Civil Lines, Delhi - 110 054  
 Corporate Off. : QRG Towers, 2D, Sector - 126, Expressway, Noida - 201 304  
 Tel. # 0120-3331000; Fax # 0120-3332000, Email: investors@havells.com  
 CIN: L31900DL1983PLC016304

**UNAUDITED STANDALONE FINANCIAL RESULTS  
 FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014**

(Rs.in Crores)

S.N.	Particulars	Quarter Ended			Year to Date		Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		(Unaudited)			(Unaudited)		(Audited)
<b>1</b>	<b>Income from operations</b>						
	a) Net Sales/Income from Operations (Net of excise duty)	1353.12	1267.05	1166.05	2620.17	2210.11	4684.23
	b) Other Operating Income	11.97	9.82	7.90	21.79	15.14	35.46
	Total income from operations (net)	1365.09	1276.87	1173.95	2641.96	2225.25	4719.69
<b>2</b>	<b>Expenditure</b>						
	a) Cost of materials consumed	760.68	757.32	670.80	1518.00	1186.80	2546.21
	b) Purchases of stock-in-trade	137.76	84.76	106.50	222.52	197.17	359.69
	c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(75.16)	(65.47)	(57.86)	(140.63)	(24.68)	(4.19)
	d) Employee benefits expense	78.26	73.44	60.03	151.70	121.11	247.48
	e) Depreciation and amortisation expense	22.48	20.79	15.92	43.27	31.50	63.63
	f) Foreign Exchange Fluctuation loss/(gain)	(2.96)	(1.09)	(0.53)	(4.05)	7.12	(8.41)
	g) Other expenses	283.19	265.80	225.54	548.99	434.84	928.90
	Total expenses	1204.25	1135.55	1020.40	2339.80	1953.86	4133.31
<b>3</b>	<b>Profit from operations before other Income, finance costs and exceptional items (1-2)</b>	160.84	141.32	153.55	302.16	271.39	586.38
<b>4</b>	<b>Other Income</b>	11.45	11.54	7.85	22.99	11.04	35.65
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	172.29	152.86	161.40	325.15	282.43	622.03
<b>6</b>	<b>Finance Costs</b>	5.91	3.31	6.05	9.22	11.69	26.93
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	166.38	149.55	155.35	315.93	270.74	595.10
<b>8</b>	<b>Exceptional items</b>	-	-	-	-	-	-
<b>9</b>	<b>Profit from ordinary activities before tax (7+8)</b>	166.38	149.55	155.35	315.93	270.74	595.10
<b>10</b>	<b>Tax expenses</b>	46.77	42.28	29.63	89.05	50.36	116.41
<b>11</b>	<b>Net Profit from ordinary activities after tax (9-10)</b>	119.61	107.27	125.72	226.88	220.38	478.69
<b>12</b>	<b>Extraordinary Items (net of tax expenses)</b>	-	-	-	-	-	-
<b>13</b>	<b>Net Profit for the period (11+12)</b>	119.61	107.27	125.72	226.88	220.38	478.69
<b>14</b>	<b>Minority interest</b>	-	-	-	-	-	-
<b>15</b>	<b>Net Profit after taxes and minority interest (13-14)</b>	119.61	107.27	125.72	226.88	220.38	478.69
<b>16</b>	<b>Paid-up Equity Share Capital (Face value of Re.1/- each)</b>	62.44	62.40	62.41	62.44	62.41	62.39
<b>17</b>	<b>Reserves excluding revaluation reserves as per balance sheet of previous year</b>	-	-	-	-	-	2,067.46
<b>18</b>	<b>Earnings per share (EPS) before extraordinary items (of Re.1/-each) (not annualised) :</b>						
	a) Basic and Diluted	1.92	1.72	2.01	3.64	3.53	7.67
	<b>Earnings per share (EPS) after extraordinary items (of Re.1/-each) (not annualised) :</b>						
	a) Basic and Diluted	1.92	1.72	2.01	3.64	3.53	7.67
<b>A.</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
<b>1</b>	<b>Public shareholding</b>						
	- Number of Shares	239530115	239145835	239145835	239530115	239145835	239145835
	- Percentage of shareholding	38.36	38.32	38.32	38.36	38.32	38.32
<b>2</b>	<b>Promoters and Promoter Group Shareholding</b>						
	a) Pledged/Encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	- Percentage of shares (as a % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	b) Non - encumbered						
	- Number of shares	384957920	384957920	384957920	384957920	384957920	384957920
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	61.64	61.68	61.68	61.64	61.68	61.68
<b>B.</b>	<b>INVESTORS COMPLAINTS</b>						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	4					
	Disposed of during the quarter	4					
	Remaining unresolved at the end of the quarter	Nil					

**Notes :**

- During the quarter, the Company has made further investment of Rs. 17.70 crores in its wholly owned subsidiary "Havells Holdings Limited".
- During the quarter, the Company have sub divided the face value of company's equity share from Rs.5 each to Re. 1 each fully paid up. Accordingly, EPS has also been adjusted.
- During the quarter, employees covered under "Havells Employees Long Term Incentive Plan 2014" have exercised their options and accordingly 3,84,280 equity shares are transferred in the name of employees.
- Effective from April 1, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended September 30, 2014, is higher by Rs. 4.83 crores. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 3.42 crores (net of Deferred Tax) has been adjusted with retained earnings.
- In accordance with the opinion of Expert Advisory Committee (EAC) of 'The Institute of Chartered Accountants of India' (issued in the month of March 2014), the Company has during the period, consolidated the financial statements of 'Havells Employees Welfare Trust' in the financial statements of the Company.
- Tax expense includes current tax, deferred tax and is net of MAT credit if any.
- Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, where necessary.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 22nd October, 2014. The statutory auditors of the Company have conducted limited review of these financial results.

For and on behalf of the Board  
Havells India Limited

(Anil Rai Gupta)  
Joint Managing Director

Noida, 22nd October, 2014



**HAVELLS INDIA LIMITED**

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**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

(Rs.in Crores)

S.N.	Particulars	Quarter Ended			Year to Date		Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		(Unaudited)			(Unaudited)		(Audited)
1	Net Segment Revenue						
	a) Switchgears	338.68	307.31	313.52	645.99	589.49	1219.19
	b) Cable	591.44	534.80	487.38	1126.24	892.26	1926.43
	c) Lighting & Fixtures	193.56	165.42	179.79	358.98	327.99	720.69
	d) Electrical Consumer Durables	241.41	269.34	193.26	510.75	415.51	853.38
	Total	1365.09	1276.87	1173.95	2641.96	2225.25	4719.69
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Sales/ Income from Operations	1365.09	1276.87	1173.95	2641.96	2225.25	4719.69
2	Segment Results (Profit(+)/ Loss(-) before Tax and Interest from each Segment)						
	a) Switchgears	123.93	112.03	114.62	235.96	214.19	403.17
	b) Cable	70.91	58.78	49.90	129.69	90.41	210.99
	c) Lighting & Fixtures	52.08	43.01	40.53	95.09	77.74	178.70
	d) Electrical Consumer Durables	60.04	68.33	52.88	128.37	112.57	230.40
	Total	306.96	282.15	257.93	589.11	494.91	1023.26
	Less : (i) Finance cost	5.91	3.31	6.05	9.22	11.69	26.93
	(ii) Other un-allocable expenses net of un-allocable income	134.67	129.29	96.53	263.96	212.48	401.23
	Total Profit before Tax	166.38	149.55	155.35	315.93	270.74	595.10
3	Capital Employed (Segment Assets - Segment Liabilities)						
	a) Switchgears	310.75	305.40	354.91	310.75	354.91	302.71
	b) Cable	445.78	426.51	317.71	445.78	317.71	329.63
	c) Lighting & Fixtures	276.71	259.20	269.43	276.71	269.43	252.60
	d) Electrical Consumer Durables	206.31	158.12	156.33	206.31	156.33	164.78
	Total	1239.55	1149.23	1098.38	1239.55	1098.38	1049.72
	e) Others-Unallocable	1123.67	1085.80	995.29	1123.67	995.29	1080.13
	Total	2363.22	2235.03	2093.67	2363.22	2093.67	2129.85

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs.in Crores)

Particulars	Standalone	
	As At 30.09.2014.	As At 31.03.2014
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	62.44	62.39
(b) Reserve and surplus	2300.78	2067.46
<b>Sub-total- Shareholders' funds</b>	<b>2363.22</b>	<b>2129.85</b>
<b>2 Minority interest</b>	-	-
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings	61.61	143.08
(b) Deferred tax liabilities (net)	45.71	51.74
(c) Other long-term liabilities	2.12	40.30
(d) Long-term provisions	3.86	2.26
<b>Sub-total- Non-current liabilities</b>	<b>113.30</b>	<b>237.38</b>
<b>4 Current liabilities</b>		
(a) Short-term borrowings	23.16	12.37
(b) Trade payables	469.00	439.58
(c) Other current liabilities	422.52	305.13
(d) Short-term provisions	132.55	273.79
<b>Sub-total- Current liabilities</b>	<b>1047.23</b>	<b>1030.87</b>
<b>TOTAL- EQUITY AND LIABILITIES</b>	<b>3523.75</b>	<b>3398.10</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	965.00	934.06
(b) Non-current investments	918.61	882.52
(c) Long-term loans and advances	48.15	71.16
(d) Other non-current assets	0.39	0.35
<b>Sub-total- Non-current assets</b>	<b>1932.15</b>	<b>1888.09</b>
<b>2 Current assets</b>		
(a) Inventories	891.59	682.71
(b) Trade receivables	169.53	136.49
(c) Cash and bank balances	438.29	626.16
(d) Short-term loans and advances	68.33	44.92
(e) Other current assets	23.86	19.73
<b>Sub-total- Current assets</b>	<b>1591.60</b>	<b>1510.01</b>
<b>TOTAL- ASSETS</b>	<b>3523.75</b>	<b>3398.10</b>

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**CIN No. : L31900DL1983PLC016304**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

S.No	Particulars	Quarter Ended(Consolidated)30-Sept-14				Quarter Ended(Consolidated)30-Sept-13				Period ended Ended (Consolidated) 30-Sept-14				Period ended Ended (Consolidated) 30-Sept-13				Year Ended (Consolidated) 31-March-14			
		Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated
1	Net Revenue	1,365.1	903.8	62.3	2,206.6	1,174.0	879.0	22.6	2,030.4	2,642.0	1782.4	88.5	4,335.9	2,225.3	1,667.8	40.1	3,853.0	4,719.7	3,575.1	109.0	8,185.8
2	Earning before finance cost, depreciation, tax and amortisation	180.3	36.7	-2.7	219.7	169.1	25.6	-0.4	195.1	341.4	74.4	-5.4	421.2	310.0	56.6	-0.8	367.4	641.5	129.9	-7.7	779.1
3	Less: Depreciation	22.5	13.5	-0.3	36.3	15.9	14.3	-0.1	30.3	43.3	26.3	-0.5	70.1	31.5	26.8	-0.2	58.5	63.6	51.6	-0.3	115.5
4	Less: Finance cost	5.9	10.5	-0.7	17.1	6.1	10.6	-1.2	17.9	9.2	20.7	-1.3	31.2	11.7	20.6	-2.7	35.0	26.9	42.1	-5.1	74.1
5	Less : Foreign Exchange Fluctuation (net)	-3.0	10.7	-0.1	7.8	-0.5	8.2	-0.2	7.9	-4.1	13.7	-0.1	9.7	7.1	19.3	-0.2	26.6	-8.4	45.0	0.0	36.6
6	Add: Other income	11.5	-0.7	-0.8	11.6	7.8	0.8	-0.2	8.8	23.0	-0.7	-0.6	22.9	11.0	2.4	0.1	13.3	35.7	7.5	2.0	41.2
7	Add: Exceptional item																	0.0	0.0	0.0	0.0
8	Profit Before Tax	166.4	1.3	-2.4	170.1	155.4	-6.7	1.0	147.7	316.0	13.0	-4.1	333.1	270.7	-7.7	2.4	260.6	595.1	-1.3	-0.3	594.1
9	Less: Tax expenses	46.8	10.1	-0.1	57.0	29.6	6.4	0.0	36.0	89.1	19.1	0.0	108.2	50.3	11.5	0.0	61.8	116.4	31.4	0.0	147.8
10	Net Profit after tax	119.6	-8.8	-2.3	113.1	125.7	-13.1	0.9	111.7	226.9	-6.1	-4.1	224.9	220.4	-19.2	2.4	198.8	478.7	-32.7	-0.3	446.3