

# Havells India Limited

Q4 FY22 {MARCH 31, 2022}  
{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 audited by the Auditors of the Company and approved by the Board of Directors in their meeting held on 4<sup>th</sup> May 2022.

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## SECTION 1. HAVELLS INDIA (STANDALONE)

Table 1.1: P&L Summary – Quarterly

In crores of Rupees	Q4 FY 22	Q4 FY 21	Change %	Q4 FY 20	2 Year CAGR%
<b>Net Revenue</b>	<b>4417</b>	<b>3331</b>	<b>33%</b>	<b>2216</b>	<b>41%</b>
<b>Contribution as a % to NR</b>	<b>815 18.4%</b>	<b>771 23.1%</b>	<b>6%</b>	<b>438 19.8%</b>	<b>36%</b>
Add: Depreciation / Amortization	71	65		62	
Less: Advertisement and Sales Promotion as a % to NR	69 1.6%	56 1.7%	23%	32 1.5%	
Less: Other SG&A as a % to NR	296 6.7%	274 8.2%	8%	223 10.1%	
<b>EBIDTA as a % to NR</b>	<b>521 11.8%</b>	<b>506 15.2%</b>	<b>3%</b>	<b>245 11.1%</b>	<b>46%</b>
Depreciation / Amortization	71	65		62	
Interest Expense	19	24		5	
Foreign Exchange (gain)/loss	(2)	(6)		2	
Interest Income (A)	30	28		20	
Others (B)	12	3		2	
<b>Add: Other Income (A+B)</b>	<b>42</b>	<b>31</b>		<b>22</b>	
<b>Profit before tax as a % to NR</b>	<b>475 10.8%</b>	<b>454 13.6%</b>	<b>5%</b>	<b>198 8.9%</b>	<b>55%</b>
Tax	122	152		21	
<b>Net Profit as a % to NR</b>	<b>353 8.0%</b>	<b>302 9.1%</b>	<b>17%</b>	<b>177 8.0%</b>	<b>41%</b>
Other Comprehensive Income/(Expense)	9	1		1	
<b>Total Comprehensive Income</b>	<b>362</b>	<b>303</b>		<b>178</b>	

### Results Summary

- Sales momentum was regained in Q4 with 31% value and ~
- 20% volume growth
- Growth across categories with Lloyd leading @ 62% growth
- Margins remain under pressure as fresh cost increases coupled with competitive intensity, restricted effective and adequate price transmission
- Tax in FY21 was high due to disallowance of depreciation on Goodwill from 1<sup>st</sup> April 2020

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

In crores of Rupees	Q4	Q4	Change (%)	Q4	2 Year
	FY 22	FY 21		FY20	CAGR%
Switchgears	474	463	2%	303	25%
Cable	1488	1029	45%	682	48%
Lighting & Fixtures	399	329	22%	234	30%
Electrical Cons. Durables	870	712	22%	418	44%
Others	226	207	9%	121	37%
<b>Sub Total</b>	<b>3458</b>	<b>2740</b>	<b>26%</b>	<b>1758</b>	<b>40%</b>
Lloyd	959	591	62%	458	45%
<b>Total</b>	<b>4417</b>	<b>3331</b>	<b>33%</b>	<b>2216</b>	<b>41%</b>

- Covid disrupted housing construction in Jan & Feb impacting the Switchgear growth for the quarter
- Cable growth across B2B and B2C with a healthy mix of value and volume
- Consumer vertical in lighting led the growth
- Lloyd benefitted from timely onset of summer and pent up demand

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

(I) Contribution margins (%) ^	Q4 FY22	Q4 FY21	Q3 FY22	
Switchgears	37.5%	38.5%	39.8%	<ul style="list-style-type: none"> <li>• The renewed cost escalation in commodity owing to Ukraine crisis, partially nullified price increase</li> <li>• Lighting margins affected by rising costs not fully passed on</li> <li>• Lloyd was impacted by sustained competitive intensity and inadequate price increases</li> </ul>
Cable	14.1%	18.3%	14.1%	
Lighting & Fixtures	27.2%	33.0%	33.8%	
Electrical Cons. Durables	24.5%	24.2%	22.3%	
Others	24.2%	21.6%	18.7%	
<b>Sub total</b>	<b>22.1%</b>	<b>25.3%</b>	<b>23.2%</b>	
Lloyd	5.2%	13.3%	3.6%	
<b>Total</b>	<b>18.4%</b>	<b>23.1%</b>	<b>20.7%</b>	

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

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

Segments	Q4 FY22			Q4 FY21			Q3 FY22		
	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS
Switchgears	474	123	25.9%	463	123	26.6%	496	145	29.3%
Cable	1488	173	11.6%	1029	153	14.8%	1,206	126	10.4%
Lighting	399	62	15.4%	329	68	20.7%	408	87	21.3%
ECD	870	150	17.3%	712	109	15.3%	893	114	12.7%
Others	226	27	11.7%	207	14	7.0%	184	5	2.5%
<b>Sub total</b>	<b>3458</b>	<b>535</b>	<b>15.5%</b>	<b>2740</b>	<b>468</b>	<b>17.1%</b>	<b>3,187</b>	<b>476</b>	<b>14.9%</b>
Lloyd	959	(21)	(2.2%)	591	32	5.4%	466	(42)	(9.0%)
<b>Total</b>	<b>4417</b>	<b>513</b>	<b>11.6%</b>	<b>3331</b>	<b>499</b>	<b>15.0%</b>	<b>3,652</b>	<b>434</b>	<b>11.9%</b>
-Finance cost		19	0.4%		23	0.7%		12	0.3%
-Unallocable exp.		64	1.4%		59	1.8%		60	1.7%
-Unallocable Inc.		(44)	(1.0%)		(37)	(1.1%)		(49)	(1.3%)
<b>PBT</b>		<b>475</b>	<b>10.8%</b>		<b>454</b>	<b>13.6%</b>		<b>411</b>	<b>11.2%</b>

**Table 1.4: P&L Summary – Yearly**

<b>In crores of Rupees</b>	<b>FY 22</b>	<b>FY 21</b>	<b>Change %</b>
<b>Net Revenue</b>	<b>13,889</b>	<b>10,428</b>	<b>33%</b>
<b>Contribution as a % to NR</b>	<b>2822 20.3%</b>	<b>2379 22.8%</b>	<b>19%</b>
Add: Depreciation / Amortization	261	249	
Less: Advertisement and Sales Promotion as a % to NR	247 1.8%	133 1.3%	86%
Less: Other SG&A as a % to NR	1078 7.8%	930 8.9%	
<b>EBIDTA as a % to NR</b>	<b>1758 12.7%</b>	<b>1565 15.0%</b>	<b>12%</b>
Depreciation / Amortization	261	249	
Interest Expense	53	72	
Foreign Exchange (gain)/loss	(33)	(24)	
Interest Income (A)	104	108	
Others (B)	23	56	
<b>Add: Other Income (A+B)</b>	<b>127</b>	<b>164</b>	
<b>Profit before tax &amp; sale of Assets As a % of NR</b>	<b>1604 11.5%</b>	<b>1391 13.3%</b>	<b>15%</b>
Gain on Sale of Assets	-	41	
<b>Profit before tax as a % to NR</b>	<b>1604 11.5%</b>	<b>1432 13.7%</b>	<b>12%</b>
Tax	409	392	
<b>Net Profit as a % to NR</b>	<b>1195 8.6%</b>	<b>1040 10.0%</b>	<b>15%</b>
Other Comprehensive Income/(Expense)	5	(2)	
<b>Total Comprehensive Income</b>	<b>1200</b>	<b>1038</b>	

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

<b>In crores of Rupees</b>	<b>FY 22</b>	<b>FY 21</b>	<b>Change (%)</b>
Switchgears	1786	1461	22%
Cable	4645	3180	46%
Lighting & Fixtures	1371	1085	26%
Electrical Cons. Durables	3067	2377	29%
Others	759	636	19%
<b>Sub Total</b>	<b>11,628</b>	<b>8739</b>	<b>33%</b>
Lloyd	2261	1689	34%
<b>Total</b>	<b>13,889</b>	<b>10,428</b>	<b>33%</b>

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

<b>(I) Contribution margins (%)</b>	<b>FY22</b>	<b>FY21</b>
Switchgears	38.6%	39.8%
Cable	14.6%	16.3%
Lighting & Fixtures	31.1%	31.3%
Electrical Cons. Durables	23.3%	25.1%
Others	21.2%	20.2%
<b>Sub total</b>	<b>22.9%</b>	<b>24.8%</b>
Lloyd	6.9%	12.7%
<b>Total</b>	<b>20.3%</b>	<b>22.8%</b>

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

**(In crores of Rupees)**

<b>Segments</b>	<b>FY22</b>			<b>FY21</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	1786	491	27.5%	1461	405	27.7%
Cable	4645	540	11.6%	3180	404	12.7%
Lighting	1371	258	18.8%	1085	204	18.8%
ECD	3067	458	14.9%	2377	404	17.0%
Others	759	57	7.5%	636	31	4.9%
<b>Sub total</b>	<b>11,628</b>	<b>1803</b>	<b>15.5%</b>	<b>8739</b>	<b>1447</b>	<b>16.6%</b>
Lloyd	2261	(71)	(3.1%)	1689	74	4.4%
<b>Total</b>	<b>13,889</b>	<b>1732</b>	<b>12.5%</b>	<b>10,428</b>	<b>1521</b>	<b>14.6%</b>
-Finance cost		53	0.4%		72	0.7%
-Unallocable exp.		235	1.7%		205	2.0%
-Unallocable Income <sup>^</sup>		(160)	(1.2%)		(188)	(1.8%)
<b>PBT</b>		<b>1604</b>	<b>(11.5%)</b>		<b>1432</b>	<b>13.7%</b>

<sup>^</sup> Unallocable income in FY 21 includes one-time gain of Rs. 43 crores on account of sale of unutilized land and building at Greater Noida

**Table 1.7: Balance Sheet highlights**

In crores of Rupees	31-Mar-22 (Audited)	31-Mar-21 (Audited)
<b>ASSETS</b>		
Property, plant and equipment	2021	1861
Capital work in progress	57	86
Goodwill	310	310
Other intangible assets	1102	1,119
Intangible assets under development	0	4
Investment in subsidiaries	2	2
Contract assets	39	50
Financial assets		
(i) Investments	273	-
(ii) Trade receivables	3	3
(iv) Other financial assets	42	20
Other non-current assets	43	55
Non-current tax asset (net)	27	24
<b>Total Non-current assets</b>	<b>3918</b>	<b>3,533</b>
<b>Current assets</b>		
Inventories	2968	2620
Contract assets	27	20
Financial assets		
(i) Investments	153	306
(ii) Trade receivables	765	560
(iii) Cash and cash equivalents	764	326
(iv) Bank balances other than (iii) above	1,772	1298
(v) Other financial assets	30	46
Other current assets	108	109
<b>Total Current Assets</b>	<b>6586</b>	<b>5287</b>
Assets held for sale	1	1
<b>Sub-total</b>	<b>6587</b>	<b>5287</b>
<b>Total Assets</b>	<b>10,505</b>	<b>8820</b>
<b>EQUITY AND LIABILITIES</b>		
Equity share capital	63	63
Other equity	5,926	5,102
<b>Total Equity</b>	<b>5,989</b>	<b>5,164</b>
<b>Non-current liabilities</b>		
Contract liability	5	5
Financial liabilities		
(i) Borrowings	273	394
(ii) Lease Liabilities	179	102
(iii) Other financial liabilities	4	1
Provisions	76	58
Deferred tax liabilities (Net)	351	339
<b>Total Non-Current Liabilities</b>	<b>887</b>	<b>899</b>
<b>Current liabilities</b>		
Contract liabilities	17	10
Financial liabilities		
(i) Borrowings	123	99
(ii) Lease liabilities	42	29
(iii) Trade payables		
a) Total outstanding dues of Micro Ent. and Small Ent.	114	189
b) Total outstanding dues of other than above	2265	1,408
(iv) Other financial liabilities	525	570
Other current liabilities	227	121
Provisions	253	258
Current tax liabilities (Net)	63	74
<b>Total Current Liabilities</b>	<b>3,629</b>	<b>2,757</b>
<b>Total Equity and Liabilities</b>	<b>10,505</b>	<b>8,820</b>

**Table 1.8: Cash flow**

<b>In crores of rupees</b>	<b>FY22</b>	<b>FY21</b>
PBT	1604	1,432
Depreciation	261	249
Others	(48)	(53)
<b>Working Capital Changes</b>	342	(699)
Taxes Paid	(414)	(271)
<b>Operating Net Cash Flow (A)</b>	<b>1744</b>	<b>658</b>
Capex	(255)	(219)
Proceeds from sale of fixed assets	6	96
Fixed deposits and investments made during the period	(605)	(729)
Others	95	89
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(759)</b>	<b>(763)</b>
Dividends paid	(407)	(188)
Net borrowings availed / (repaid)	(97)	451
Others	(43)	(73)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(547)</b>	<b>190</b>
<b>Net Cash Flow (A+B+C)</b>	<b>438</b>	<b>85</b>
Cash and cash equivalents at the beginning	327	242
Effect of exchange diff. on cash and cash equ. held in foreign currency	(1)	0
<b>Cash and Cash Equivalents at the end of the period</b>	<b>764</b>	<b>327</b>
<b>Bank balances other than cash and cash equivalents above</b>	<b>2218</b>	<b>1,604</b>
<b>Cash &amp; bank balances and investments</b>	<b>2982</b>	<b>1,931</b>

- Working capital reverting to normalized levels
- Capex largely pertains to new setup for Washing Machine, AC Controllers and capacity enhancements in Water heater and Air conditioners units
- Healthy cash levels maintained



**Table 1.9: Net Cash**

(in crores of rupees)	31 <sup>st</sup> Mar 2022	31 <sup>st</sup> Mar 2021
1. Short Term*	123	99
2. Long Term	273	394
Total Debt	396	493
Less: Cash and investments	2982	1931
<b>Net cash</b>	<b>2586</b>	<b>1438</b>

\*Including Current maturity of Long-Term loan

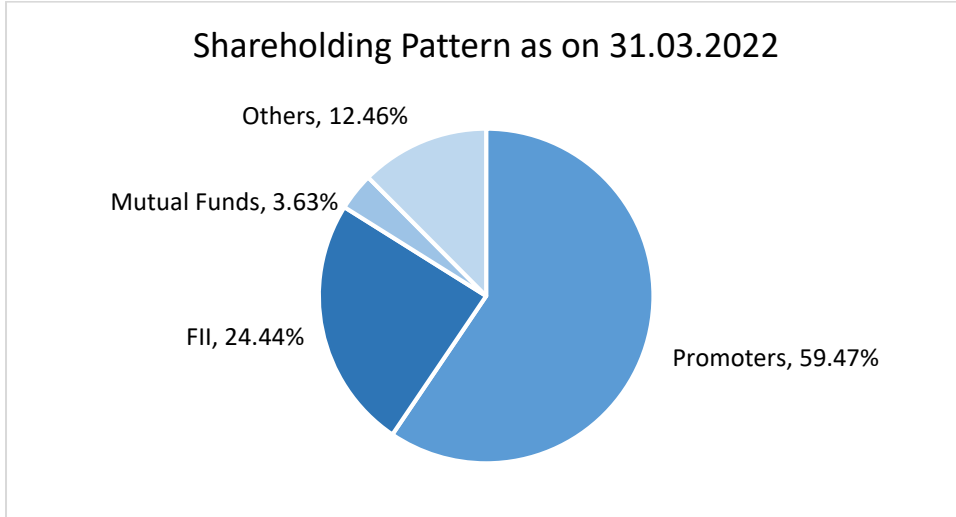
**Table 1.10 Financial Ratios (Havells India Standalone)**

Financial Ratios	Q4 FY22	Q4 FY21
<b>Profitability</b>		
OPM % {EBIDTA/NR}	11.8%	15.2%
RONW % {PAT TTM / Avg. NW}	21.8%	22.2%
ROCE % {EBIDTA TTM / Avg. CE}	29.7%	28.5%
<b>Liquidity Ratio</b>		
Current Ratio {CA/CL}	1.8	1.9
Debtor Days {Debtors/NR}	16	15
Inventory Days {Inventories/NR}	60	71
Creditor Days {Creditors/NR}	48	43
<b>Net working capital days*</b>	<b>28</b>	<b>43</b>

\*based on quarterly sales

## SECTION 2. SHAREHOLDING RELATED INFORMATION

### Shareholding pattern



### SECTION 3. QUARTER EVENTS/ HIGHLIGHTS

**Table 3.1: EVENTS**



- Sourav Ganguly roped in as Brand Ambassador for Lloyd in Eastern markets

**Table 3.2: Recognition**



- CII Award for 'Best Presentation Zero defect' won by Neemrana Lighting Women's Team "Shakti"



- Recognized by Business World as one of India's Top 20 Most Sustainable Companies

**Table 3.3: New Product Launch**

- Launched an entire array of **ECOACTIV** range augmenting the existing range of Energy Efficient Fans based on BLDC Technology



AMAYA



Stealth Neo

**Table 3.5: TV Campaign**

- High Decibel advertising on IPL platform

Lloyd IntelliLogic Kerala Special AC



Havells Stealth BLDC Fans



Havells Thaliva Fan



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