



Havells India Limited

Q3 FY24 {Quarter Ended December 31, 2023}

{Un-audited Financial Results}



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(Havells India Standalone)

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Q3 FY24 (Quarter Ended December 31, 2023)

7% YoY Net Revenue Growth	Rs 433 crores EBITDA	Rs 288 crores PAT	Rs 2,878 crores Net Cash
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1. P&L Summary – Quarterly

(In Rs crores)	Q3 FY24	Q3 FY23	YoY (%)	Q2 FY24
Net Revenue (NR)	4,401	4,120	7%	3,891
Contribution	892	825	8%	790
<i>as a % of NR</i>	20.3%	20.0%		20.3%
Add: Depreciation / Amortization	88	75		81
Less: Advertising & Sales Promotion	176	128	38%	85
<i>as a % of NR</i>	4.0%	3.1%		2.2%
Less: Other SG&A	371	348	7%	413
<i>as a % of NR</i>	8.4%	8.4%		10.6%
EBITDA	433	424	2%	373
<i>as a % of NR</i>	9.8%	10.3%		9.6%
Depreciation / Amortization	88	75		81
Other Income (net)	46	33		43
Profit Before Tax	391	382	2%	335
<i>as a % of NR</i>	8.9%	9.3%		8.6%
Tax	103	98		86
Net Profit	288	284	1%	249
<i>as a % of NR</i>	6.5%	6.9%		6.4%
Other Comprehensive Income/(Loss)	(1)	(1)		(1)
Total Comprehensive Income	287	283	1%	248

Results Summary:

- Consumer demand continues to be subdued, though recent trends suggest some recovery
- Infrastructure led demand remains robust supporting Cables & Professional Lighting
- Advertising & sales promotion spends higher amid festive season

2. Segment Wise – Quarterly

2.1 Revenue Analysis

(In Rs crores)	Q3 FY24	Q3 FY23	YoY (%)	Q2 FY24
Switchgears	521	514	1%	532
Cable	1,573	1,412	11%	1,470
Lighting & Fixtures	430	420	2%	396
Electrical Cons. Durables	961	935	3%	733
Others	269	232	16%	266
Sub Total	3,754	3,513	7%	3,398
Lloyd Consumer	647	607	7%	493
Total	4,401	4,120	7%	3,891

- Cable & wire continue to deliver healthy growth; benefit from infrastructure demand
- Healthy growth in professional lighting, while consumer lighting still impacted by LED price deflation
- Muted ECD growth as the festive gains were offset by fans high base
- Lloyd 2Y growth at ~18% CAGR; growth levers intact for the coming season

2.2 Contribution Margin* Analysis

(In %)	Q3 FY24	Q3 FY23	Q2 FY24
Switchgears	39.7%	38.0%	39.6%
Cable	14.5%	15.9%	15.5%
Lighting & Fixtures	30.5%	29.4%	28.8%
Electrical Cons. Durables	24.1%	23.3%	23.5%
Others	17.7%	17.8%	16.9%
Sub Total	22.5%	22.8%	22.7%
Lloyd Consumer	7.4%	3.7%	3.9%
Total	20.3%	20.0%	20.3%

* Contribution Margins = Net Revenue less Material Cost less Manufacturing Variables less Direct Selling Variables less Depreciation

- Sustained improvement in contribution margin, however segment results impacted due to higher A&P spends

2.3 Segment Results Analysis

<i>(In Rs crores)</i>	Q3 FY24		Q3 FY23		Q2 FY24	
	Segment Results	% of NR	Segment Results	% of NR	Segment Results	% of NR
Switchgears	126	24.1%	127	24.7%	141	26.4%
Cable	163	10.4%	163	11.5%	171	11.6%
Lighting & Fixtures	61	14.2%	53	12.7%	57	14.4%
Electrical Cons. Durables	107	11.2%	123	13.1%	85	11.6%
Others	4	1.6%	7	3.1%	4	1.5%
Sub Total	462	12.3%	473	13.5%	457	13.5%
Lloyd Consumer	(65)	(10.1)%	(60)	(9.8)%	(73)	(14.9)%
Total	397	9.0%	413	10.0%	384	9.9%
Finance Cost	(10)	(0.2)%	(7)	(0.2)%	(9)	(0.2)%
Unallocable Expenses	(91)	(2.1)%	(64)	(1.6)%	(91)	(2.4)%
Unallocable Income	56	1.3%	40	1.0%	52	1.3%
Provision no longer required written back (non-recurring)	40	0.9%	-	-	-	-
Profit Before Tax	391	8.9%	382	9.3%	335	8.6%

3. P&L Summary – Nine Months

<i>(In Rs crores)</i>	9MFY24	9MFY23	YoY (%)
Net Revenue (NR)	13,116	12,019	9%
Contribution	2,538	2,183	16%
<i>as a % of NR</i>	19.3%	18.2%	
Add: Depreciation / Amortization	245	219	
Less: Advertising & Sales Promotion	395	328	21%
<i>as a % of NR</i>	3.0%	2.7%	
Less: Other SG&A	1,179	1,002	18%
<i>as a % of NR</i>	9.0%	8.3%	
EBITDA	1,208	1,072	13%
<i>as a % of NR</i>	9.2%	8.9%	
Depreciation / Amortization	245	219	
Other Income (net)	145	106	
Profit Before Tax	1,108	960	15%
<i>as a % of NR</i>	8.5%	8.0%	
Tax	284	247	
Net Profit	824	713	16%
<i>as a % of NR</i>	6.3%	5.9%	
Other Comprehensive Income/(Loss)	(3)	(3)	
Total Comprehensive Income	821	711	16%

4. Segment Wise – Nine Months

4.1 Revenue Analysis

(In Rs crores)	9MFY24	9MFY23	YoY (%)
Switchgears	1,594	1,519	5%
Cable	4,528	3,964	14%
Lighting & Fixtures	1,193	1,188	0%
Electrical Cons. Durables	2,571	2,546	1%
Others	784	697	13%
Sub Total	10,670	9,914	8%
Lloyd Consumer	2,445	2,105	16%
Total	13,116	12,019	9%

4.2 Contribution Margin* Analysis

(In %)	9MFY24	9MFY23
Switchgears	39.9%	37.9%
Cable	14.9%	12.1%
Lighting & Fixtures	29.5%	29.1%
Electrical Cons. Durables	23.4%	23.1%
Others	17.6%	17.9%
Sub Total	22.5%	21.3%
Lloyd Consumer	5.5%	3.3%
Total	19.3%	18.2%

* Contribution Margins = Net Revenue less Material Cost less Manufacturing Variables less Direct Selling Variables less Depreciation

4.3 Segment Results Analysis

(In Rs crores)	9MFY24		9MFY23	
	Segment Results	% of NR	Segment Results	% of NR
Switchgears	416	26.1%	384	25.3%
Cable	503	11.1%	336	8.5%
Lighting & Fixtures	171	14.3%	171	14.4%
Electrical Cons. Durables	288	11.2%	323	12.7%
Others	17	2.2%	23	3.4%
Sub Total	1,395	13.1%	1,238	12.5%
Lloyd Consumer	(199)	(8.1)%	(199)	(9.4)%
Total	1,196	9.1%	1,039	8.6%
Finance Cost	(28)	(0.2)%	(24)	(0.2)%
Unallocable Expenses	(272)	(2.1)%	(186)	(1.5)%
Unallocable Income	173	1.3%	130	1.1%
Provision no longer required written back (non-recurring)	40	0.3%	-	-
Profit Before Tax	1,108	8.5%	960	8.0%

5. Balance Sheet

<i>(In Rs crores)</i>	Dec'23 (UnAudited)	Mar'23 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,458	2,228
Capital work in progress	310	163
Goodwill	310	310
Other intangible assets	1,071	1,082
Intangible assets under development	6	3
Investment in subsidiaries	0.5	0
Financial assets		
(i) Investments	20	20
(ii) Trade receivables	1	2
(iii) Other financial assets	311	149
Contract assets	16	26
Other non-current assets	87	79
Non Current tax assets (net)	29	29
Total non current assets	4,620	4,091
Current assets		
Inventories	3,703	3,708
Financial assets		
(i) Investments	-	181
(ii) Trade receivables	637	971
(iii) Cash and cash equivalents	218	457
(iv) Bank balances other than (iii) above	2,383	1,405
(v) Other financial assets	42	117
Contract assets	27	27
Other current assets	175	175
Total current assets	7,185	7,041
Assets classified as held for sale	0	11
Total assets	11,806	11,143
EQUITY AND LIABILITIES		
Equity		
Equity share capital	63	63
Other equity	7,115	6,552
Total equity	7,177	6,614
Non-current liabilities		
Financial liabilities		
(ii) Lease liabilities	234	187
(iii) Other financial liabilities	19	7
Contract liabilities	4	4
Other Non current liabilities	9	-
Provisions	70	137
Deferred tax liabilities (Net)	368	362
Total non current liabilities	704	696
Current liabilities		
Financial liabilities		
(i) Lease liabilities	56	36
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	181	155
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,327	2,488
(iii) Other financial liabilities	803	625
Contract liabilities	90	83
Other current liabilities	132	139
Provisions	282	275
Current tax liabilities (net)	54	32
Total current liabilities	3,924	3,832
Total equity and liabilities	11,806	11,143

6. Cash Flow

<i>(In Rs crores)</i>	9M FY24	FY23
PBT	1,108	1,450
Depreciation	245	296
Others	(75)	(93)
Working Capital Changes	410	(697)
Taxes Paid	(256)	(392)
Operating Net Cash Flow (A)	1,433	565
Capex	(516)	(588)
Others	117	106
Net Cash Flow from Investing Act. (B)	(399)	(481)
Dividends paid	(282)	(470)
Net borrowings availed/(repaid)	0	(394)
Others	(32)	(43)
Net Cash Flow from Financing Act. (C)	(314)	(907)
Net Cash Flow (A+B+C)	720	(824)
Cash & Cash Equivalent at beginning	2,158	2,982
Cash & Cash Equivalent at end	2,878	2,158

* Cash & Cash Equivalent includes bank deposits also

- Continues to augment capacities with capex in cable, Lloyd and lighting categories

7. Financial Ratios

	Q3 FY24	Q3 FY23	Q2 FY24
Profitability			
OPM % {EBITDA/NR}	9.8%	10.3%	9.6%
ROE % {PAT TTM / Average Net Worth TTM}	17.4%	17.2%	17.8%
ROCE % {EBIT TTM / Average Capital Employed TTM (Net Worth + Debt)}	24.0%	23.2%	24.4%
Liquidity			
Current Ratio {CA/CL}	1.8	1.9	2.0
Debtor Days {Debtors/NR TTM}	13	15	11
Inventory Days {Inventories/NR TTM}	75	81	74
Creditor Days {Creditors/NR TTM}	51	54	45
Net working capital days*	37	42	39

*based on TTM sales

Disclosure of information, communication with investors / analysts / financial community

We recommend that readers refer to the Havells India financials to get a better appreciation of the business performance. A copy of the latest Financial Results of Havells India Limited are available on Havells website – 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 23rd January 2024.

Havells will be issuing fresh Information Update, like the one you are reading now; on the day it declares its 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.

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