

Gupta Becomes Billionaire as Havells India Stock Climbs to Record High

Electrical parts maker was started with less than \$200 by Gupta who quit his job as a school teacher in Punjab in 1958.

NETTY ISMAIL
MUMBAI

Qimat Rai Gupta became a billionaire as shares of Havells India, the nation's largest electrical parts maker by market value, surged to a record. Gupta, 77, and his family control almost 62% of the company, according to exchange filings, a stake valued at \$1.5 billion, according to the Bloomberg Billionaires Index.

Anil Sharma, a spokesman for Havells, confirmed the family stake in the company based in Noida, near New Delhi.

The maker of lighting products, cables and fans has benefited from rising incomes in the world's second-most populous nation as

Havells India's shares have surged 11% to a record ₹1,183 in Mumbai trade, the biggest one-day jump in four years. The shares have climbed 50% this year

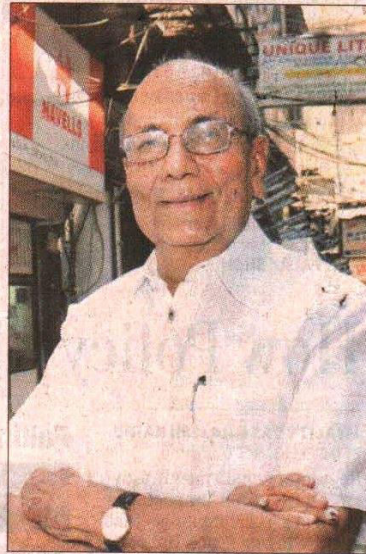
consumers shift to branded products, Firstcall Research said in a June 3 report. Havells owns Sylvania, a European maker of Lumiance lighting products.

"They have shown steady and quality performance in terms of growth and earnings," said Gautam Chhaochharia, head of research at UBS Securities India in Mumbai, who has a buy recommendation on the Havells. "That's given investors confidence in the stock."

Havells surged 11% to a record ₹1,182.90 at the close in Mumbai, the biggest one-day jump in four years. The shares have climbed 50% this year, almost three times the gain for the S&P BSE Sensex benchmark gauge. Gupta, who's the chairman of Havells, controls the fortune along with his family, including son Anil Rai Gupta and daughter-in-law Sangeeta Gupta.

SCHOOL TEACHER

In 1958, Gupta, then 21, quit his job as a school teacher in India's Punjab state and moved to Delhi. With less than \$200, he



Qimat Rai Gupta

started a trading company selling fixtures and electric cables to businesses, according to Havells' website.

He bought the Havells brand more than a decade later and expanded it from a garage-based manufacturing and distribution company to a business with about a dozen factories in India, as well as in Europe, Latin America, Africa and China, according to its website. The company acquired SLI Holdings Inc.'s lighting business for 227 million euros (\$309 million) in 2007 and sells electrical products under brand names including Crabtree, Concord and Standard, according to its website. "Over a period of time, they have consistently grown with stable, improving margins, which have led to earnings growth," UBS's Chhaochharia said.