

Havells India to Invest ₹300 cr on Expansion

Co to expand manufacturing base, diversify biz

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New Delhi: Havells India plans to invest Rs 300 crore in the current financial year in expansion of its manufacturing base and is considering diversifying into various consumer electronics businesses including water purifiers and personal grooming, its chairman Anil Rai Gupta said.

Gupta said the company will utilise cash reserves of Rs 1,500 crore for expansion and is not considering raising funds at this moment.

The company is scouting for acquisition opportunities in electronic goods segment in India and abroad.

The Noida-headquartered electrical equipment company is setting up a new unit for manufacturing of cables, wires, solar lights and other electronics in Karnataka.

The Karnataka Industrial Areas Development Board has allotted 62.09 acres of land to the company at Vasanthanasapura industrial area.

The unit is expected to become operational by the end of this fiscal.

The company also proposes to set up a manufacturing facility in Assam and has entered into a land lease agreement with Pan Projects.

Havells India has 12 manufacturing units spread across Uttar Pradesh, Uttarakhand, Rajasthan, Himachal Pradesh and Haryana engaged in 17 electronic goods segments including switchgear, motors, fans, water heaters and other domestic

appliances.

The company has a network of 6,500 dealers in India. It has 375 franchisee stores, to which it expects to add about 100 every year.

"We are focused on the Indian market. We are clear that the government's focus is on energy expansion and energy efficiency and good companies and brands will have better future," Gupta said.

He said an internal exercise to identify new business areas that gel with the firm's present dealer base

is expected to conclude in six months, after which the company will undertake the diversification.

The various businesses being explored by Havells India for diversification include personal grooming, water purification and solar rooftop solutions.

Gupta said the company will add about 700 executives to its existing workforce of over 4,000 employees. Havells India reported a 36% year-on-year growth in its net profit to Rs 146 crore in the first quarter of the current financial year.

The electrical equipment company has divested 80% stake in its international arm Sylvania to Shanghai Feilo Acoustics Co Ltd for over Rs 1,070 crore and bought 70% stake in Promptec Renewable Energy Solutions, a Bengaluru-based lighting company.

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