

Havells India Limited

Q3 FY22 {DECEMBER 31, 2021}
{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 20th January 2022.

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SECTION 1. HAVELLS INDIA (STANDALONE)

Table 1.1: P&L Summary – Quarterly

In crores of Rupees	Q3 FY 22	Q3 FY 21	Change %	Q3 FY 20	2 Year CAGR%
Net Revenue	3,652	3,166	15%	2,270	27%
Contribution as a % to NR	754 20.7%	746 23.6%	1%	535 23.6%	19%
Add: Depreciation / Amortization	66	64		55	
Less: Advertisement and Sales Promotion as a % to NR	100 2.7%	51 1.6%	95%	77 3.4%	
Less: Other SG&A as a % to NR	280 7.7%	251 7.9%	11%	246 10.8%	
EBIDTA as a % to NR	440 12.1%	508 16.0%	(13%)	267 11.8%	28%
Depreciation / Amortization	66	64		55	
Interest Expense	12	15		5	
Foreign Exchange (gain)/loss	(16)	(7)		(5)	
Interest Income (A)	30	33		15	
Others (B)	3	(1)		4	
Add: Other Income (A+B)	33	32		19	
Profit before tax as a % to NR	411 11.2%	468 14.8%	(12%)	231 10.2%	33%
Tax	105	119		31	
Net Profit as a % to NR	306 8.4%	349 11.0%	(12%)	200 8.8%	24%
Other Comprehensive (Income)/Expense	(1)	(1)		(1)	
Total Comprehensive Income	305	348		199	

Results Summary

- 15% revenue growth over last year with a 27% CAGR over 2 years
- Festive demand was encouraging, however demand tapered in later part of Q3, owing to high inflation and then omicron scare
- Margins have been under pressure with elevated commodity costs and partial transition in pricing especially in consumer durables
- Advertising and promotion, as planned, reverted to normalized levels against last year

Table 1.2: Segment wise Revenue analysis – Quarterly

In crores of Rupees	Q3 FY 22	Q3 FY 21	Change (%)	Q3 FY20	2 Year CAGR%
Switchgears	496	437	13%	331	22%
Cable	1,206	905	33%	712	30%
Lighting & Fixtures	408	353	15%	276	22%
Electrical Cons. Durables	893	783	14%	536	29%
Others	184	176	5%	115	27%
Sub Total	3,187	2,654	20%	1,970	27%
Lloyd	466	512	(9%)	300	24%
Total	3,652	3,166	15%	2,270	27%

- Switchgear benefiting from new construction and range expansion
- Higher commodity prices contributed growth in Cable & Wires
- Consumer Lighting, a healthy mix of volume and value growth
- Appliances led the growth in ECD with strong festive demand
- Industrial and Infra showing signs of revival

Table 1.3: Segment wise margin analysis – Quarterly

(I) Contribution margins (%) ^	Q3 FY22	Q3 FY21	Q2 FY22	
Switchgears	39.8%	42.2%	38.4%	• Contribution margins sequentially maintained; calibrated price increases in Q3.
Cable	14.1%	15.2%	12.7%	
Lighting & Fixtures	33.8%	34.4%	32.9%	• Lloyd was adversely impacted owing to low season and price hikes being deferred due to competitive intensity.
Electrical Cons. Durables	22.3%	25.6%	24.4%	
Others	18.7%	19.7%	21.7%	
Sub total	23.2%	25.6%	22.8%	
Lloyd	3.6%	13.2%	8.0%	
Total	20.7%	23.6%	21.2%	

^ 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	Q3 FY22			Q3 FY21			Q2 FY22		
	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS
Switchgears	496	145	29.3%	437	137	31.4%	443	120	27.2%
Cable	1,206	126	10.4%	905	103	11.3%	1,144	115	10.1%
Lighting	408	87	21.3%	353	81	23.0%	354	77	21.9%
ECD	893	114	12.7%	783	140	17.9%	728	126	17.3%
Others	184	5	2.5%	176	7	4.0%	211	20	9.6%
Sub total	3,187	476	14.9%	2,654	468	17.7%	2,880	459	16.0%
Lloyd	466	(42)	(9.0%)	512	31	6.0%	341	(18)	(5.4%)
Total	3,652	434	11.9%	3,166	499	15.8%	3,221	441	13.6%
-Finance cost		12	0.3%		15	0.5%		11	0.3%
-Unallocable exp.		60	1.7%		56	1.8%		60	1.9%
-Unallocable Inc.		(49)	(1.3%)		(39)	(1.2%)		(33)	(1.0%)
PBT		411	11.2%		468	14.8%		403	12.5%

Table 1.4: P&L Summary – Nine Months

In crores of Rupees	9M FY 22	9M FY 21	Change %
Net Revenue	9,471	7,097	33%
Contribution as a % to NR	2,007 21.2%	1,608 22.7%	25%
Add: Depreciation / Amortization	190	184	
Less: Advertisement and Sales Promotion as a % to NR	178 1.9%	77 1.1%	132%
Less: Other SG&A as a % to NR	782 8.3%	656 9.2%	19%
EBIDTA as a % to NR	1,237 13.1%	1,059 14.9%	17%
Depreciation / Amortization	190	184	
Interest Expense	34	49	
Foreign Exchange (gain)/loss	(31)	(18)	
Interest Income (A)	74	79	
Others (B)	10	14	
Add: Other Income (A+B)	84	93	
Profit before tax & sale of Assets As a % of NR	1,128 11.9%	937 13.2%	20%
Gain on Sale of Assets	1	40	
Profit before tax as a % to NR	1,129 11.9%	977 13.8%	16%
Tax	287	240	
Net Profit as a % to NR	842 8.9%	737 10.4%	14%
Other Comprehensive (Income)/Expense	(3)	(3)	
Total Comprehensive Income	839	734	

Table 1.5: Segment wise Revenue analysis – Nine Months

In crores of Rupees	9M FY 22	9M FY 21	Change (%)
Switchgears	1,312	998	32%
Cable	3,157	2,151	47%
Lighting & Fixtures	971	756	29%
Electrical Cons. Durables	2,197	1,665	32%
Others	533	429	24%
Sub Total	8,170	5,999	36%
Lloyd	1,301	1,098	19%
Total	9,471	7,097	33%

Table 1.6: Segment wise margin analysis – Nine Months

(I) Contribution margins (%)	9M FY22	9M FY21
Switchgears	39.0%	40.5%
Cable	14.8%	15.4%
Lighting & Fixtures	32.6%	30.5%
Electrical Cons. Durables	22.8%	25.5%
Others	19.9%	19.4%
Sub total	23.3%	24.5%
Lloyd	8.1%	12.4%
Total	21.2%	22.7%

(II) Segment results (%)

(In crores of Rupees)

Segments	9M FY22			9M FY21		
	Net Sales	Segment result	% to NS	Net Sales	Segment result	% to NS
Switchgears	1,312	368	28.0%	998	281	28.2%
Cable	3,157	367	11.6%	2,151	251	11.7%
Lighting	971	196	20.2%	756	136	18.0%
ECD	2,197	307	14.0%	1,665	295	17.7%
Others	533	30	5.7%	429	17	3.8%
Sub total	8,170	1,269	15.5%	5,999	980	16.3%
Lloyd	1,301	(50)	(3.8%)	1,098	42	3.9%
Total	9,471	1,219	12.9%	7,097	1,022	14.4%
-Finance cost		34	0.4%		49	0.7%
-Unallocable exp.		172	1.8%		146	2.1%
-Unallocable Income^		(116)	(1.2%)		(150)	(2.1%)
PBT		1,129	11.9%		977	13.8%

^ Unallocable income in 9M 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-Dec-21 (Unaudited)	31-Mar-21 (Audited)
ASSETS		
Property, plant and equipment	1,997	1,861
Capital work in progress	67	86
Goodwill	310	310
Other intangible assets	1,104	1,119
Intangible assets under development	2	4
Investment in subsidiaries	2	2
Contract assets	42	50
Financial assets		
(i) Investments	171	-
(ii) Trade receivables	3	3
(iii) Other Bank Balance	48	-
(iv) Other financial assets	22	20
Other non-current assets	51	55
Non-current tax asset (net)	24	24
Total Non-current assets	3,843	3,533
Current assets		
Inventories	2,962	2,620
Contract assets	26	20
Financial assets		
(i) Investments	204	306
(ii) Trade receivables	570	560
(iii) Cash and cash equivalents	338	326
(iv) Bank balances other than (iii) above	1,788	1,298
(v) Other financial assets	44	46
Other current assets	79	109
Total Current Assets	6,011	5,287
Assets held for sale	0	1
Sub-total	6,011	5,287
Total Assets	9,854	8,820
EQUITY AND LIABILITIES		
Equity share capital	63	63
Other equity	5,565	5,102
Total Equity	5,628	5,164
Non-current liabilities		
Contract liability	5	5
Financial liabilities		
(i) Borrowings	303	394
(ii) Lease Liabilities	171	102
(iii) Other financial liabilities	1	1
Provisions	69	58
Deferred tax liabilities (Net)	351	339
Total Non-Current Liabilities	900	899
Current liabilities		
Contract liabilities	17	10
Financial liabilities		
(i) Borrowings	123	99
(ii) Lease liabilities	39	29
(iii) Trade payables		
a) Total outstanding dues of Micro Ent. and Small Ent.	162	189
b) Total outstanding dues of other than above	1,896	1,408
(iv) Other financial liabilities	650	570
Provisions	290	258
Current tax liabilities (Net)	32	74
Other current liabilities	117	121
Total Current Liabilities	3,326	2,757
Total Equity and Liabilities	9,854	8,820

Table 1.8: Cash flow

In crores of rupees	Dec 21 YTD	FY21
PBT	1,129	1,432
Depreciation	190	249
Others	(54)	(53)
Working Capital Changes	287	(699)
Taxes Paid	(317)	(271)
Operating Net Cash Flow (A)	1,235	658
Capex	(194)	(219)
Proceeds from sale of fixed assets	4	96
Fixed deposits and investments made during the period	(605)	(729)
Others	67	89
Net Cash Flow from Investing Activities (B)	(728)	(763)
Dividends paid	(407)	(188)
Net borrowings availed / (repaid)	(67)	451
Others	(23)	(73)
Net Cash Flow from Financing Activities (C)	(497)	190
Net Cash Flow (A+B+C)	11	85
Cash and cash equivalents at the beginning	327	242
Effect of exchange diff. on cash and cash equ. held in foreign currency	0	0
Cash and Cash Equivalents at the end of the period	338	327
Bank balances other than cash and cash equivalents above	2,211	1,604
Cash & bank balances and investments	2,549	1,931

- Capex largely pertains to the Washing Machine, Water heater and Air conditioners units
- Dividend includes interim dividend announced in Q2

Table 1.9: Net Cash

(in crores of rupees)	31 st Dec 2021	31 st Dec 2020
1. Short Term*	123	552
2. Long Term	303	313
Total Debt	426	865
Less: Cash and investments	2,549	2,689
Net cash	2,123	1,824

*Including Current maturity of Long-Term loan

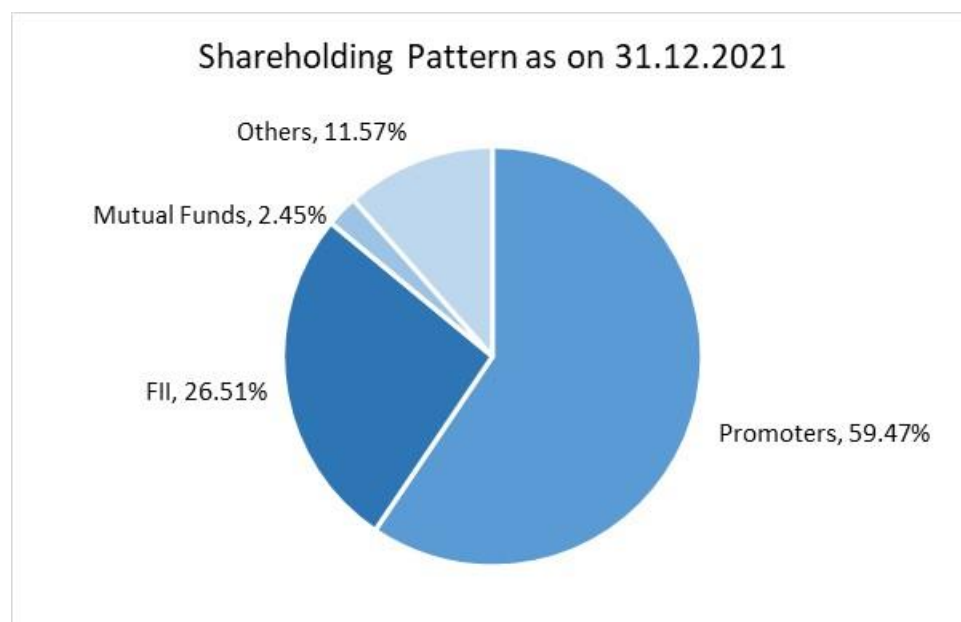
Table 1.10 Financial Ratios (Havells India Standalone)

Financial Ratios	Q3 FY22	Q3 FY21
Profitability		
OPM % {EBIDTA/NR}	12.1%	16.0%
RONW % {PAT TTM / Avg. NW}	21.7%	20.5%
ROCE % {EBIDTA TTM / Avg. CE}	30.4%	25.2%
Liquidity Ratio		
Current Ratio {CA/CL}	1.8	1.7
Debtor Days {Debtors/NR}	14	16
Inventory Days {Inventories/NR}	73	57
Creditor Days {Creditors/NR}	51	38
Net working capital days*	36	35

*based on quarterly sales

SECTION 2. SHAREHOLDING RELATED INFORMATION

Shareholding pattern



SECTION 3. QUARTER EVENTS/ HIGHLIGHTS

Table 3.1: INDUSTRY 4.0



New Washing Machine plant and Manufacturing Execution System (MES) inaugurated by Shri. Amitabh Kant, CEO, NITI Aayog

Table 3.2: Recognition

- **CII Top 25 Innovative companies 2021 Award.** Havells is the only FMEG consumer company on the winners list.



- Havells recognised as the **Best Corporate for CSR Category** at the 6th Annual ICSI CSR Excellence Awards 2021



➤ **National Energy Conservation Award 2021' awarded by BEE**

- “Efficiencia Neo” Ceiling Fan



- “Monza” Storage Water Heater



Table 3.3: New Product Launch



WM: In-House Manufactured



Hexo JMG



Induction Cook Top: Touch Series



New WireFree NXT Automation range

Table 3.4: Home Art Lights –Exclusive showrooms for NXTGEN Lighting

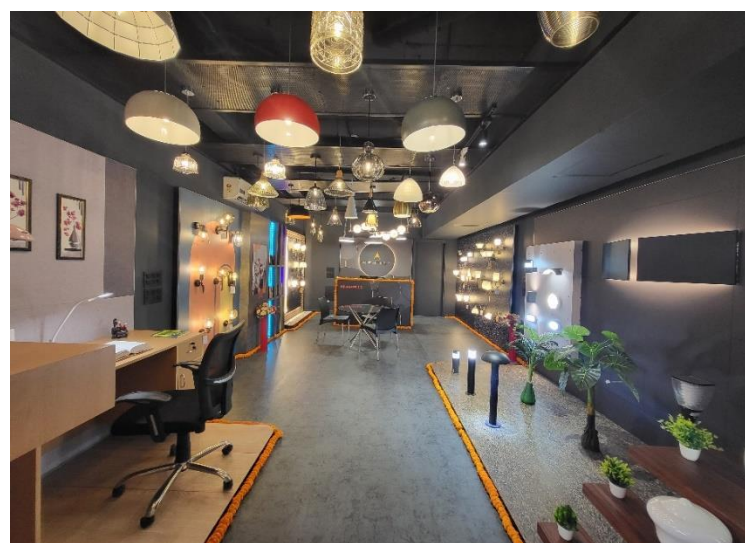
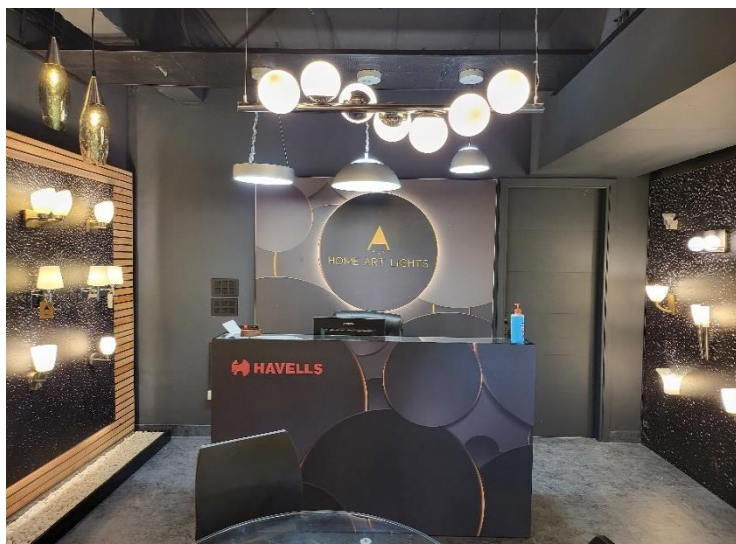


Table 3.5: TV Campaign

Havells Lighting – “Mahaal Banaye Rakhna”



Havells Magnatron Water Heater



Havells Silencio Mixer Grinder



Associated with T20 cricket world cup as Co presenting sponsors



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