QRG GROUP

HAVELLS

6th March, 2018

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai- 400 051

NSE Symbol : HAVELLS

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Scrip Code : 517354

Sub: Intimation of Schedule of Analyst Meet

Dear Sir,

In terms of Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with corresponding circulars and notifications issued thereunder, it is hereby informed that the management of the Company, Havells India Limited, shall be participating in the following conference:-

Name of the Organizer: Daiwa Capital Markets
Place: Tokyo
Date: 8th and 9th March, 2018

Also enclosed is a copy of the Investor Presentation which would be used in the above conference.

This is for your information and records.

Thanking you.

Yours faithfully,
for **Havells India Limited**

(Sanjay Kumar Gupta)
Company Secretary

Encl: as above

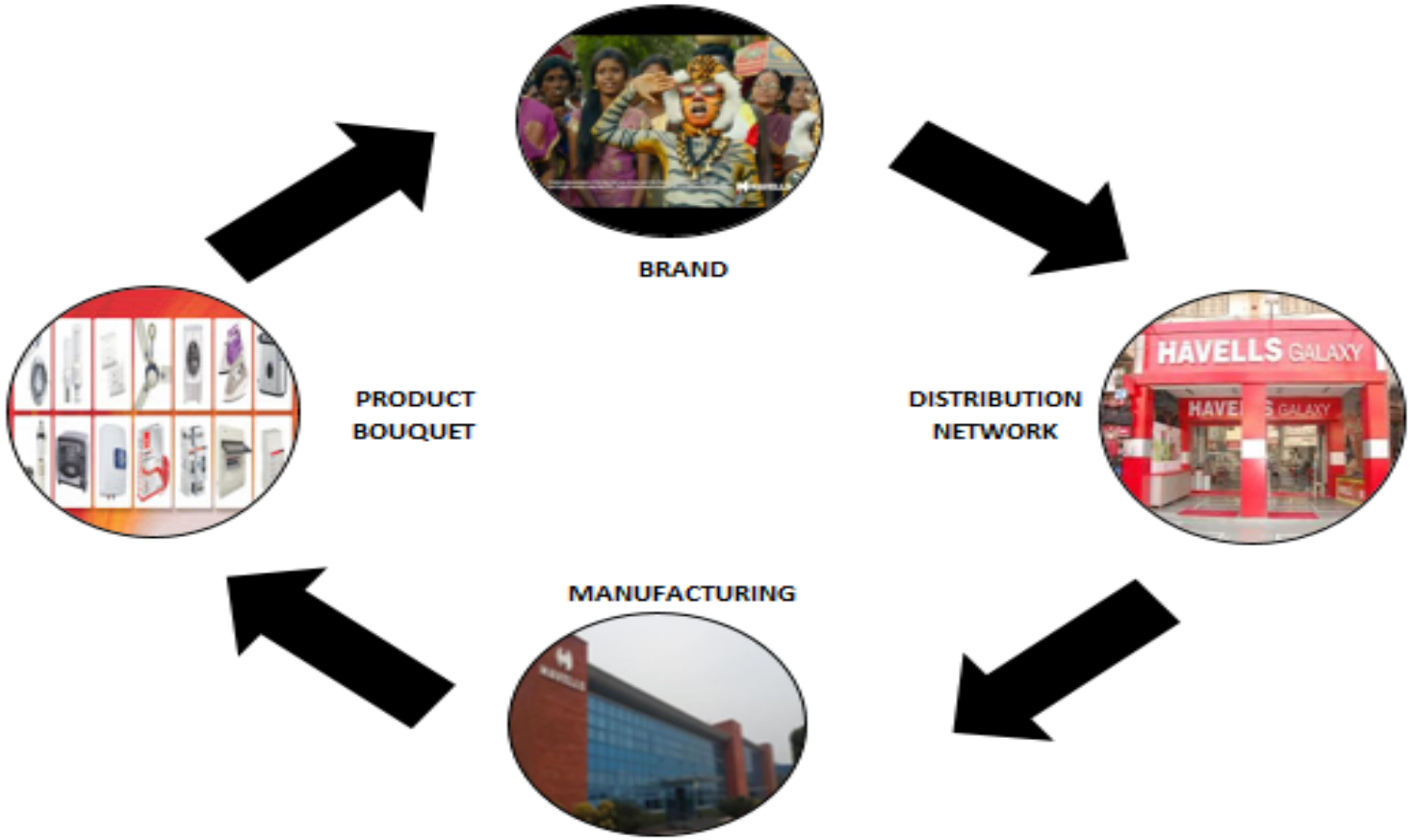
HAVELLS INDIA LTD.
Corporate Office: QRG Towers, 2D, Sector 126, Expressway, Noida - 201304, U.P (INDIA)
Tel: +91-120-3331000, Fax: +91-120-3332000
E-mail: marketing@havells.com, www.havells.com
Registered Office: 904, 9th Floor, Surya Kiran Building,
K.G. Marg, Connaught Place, New Delhi - 110001. (INDIA)
Consumer Care No.:
1800 103 1313, 1800 11 0303 (All Connections), 011-4166 0303 (Landline)
CIN: L31900DL1983PLC016304
GSTIN: 09AAACH0351E2Z2

HAVELLS | STANDARD | LLOYD | Crabtree

HAVELLS INDIA LIMITED

March 2018

AN EFFICIENT INTERPLAY



Higher Market Share Higher Profitability Free Cash Flow Superior Return to shareholders

HAVELLS REPRESENTS 2 POOLS OF LARGE OPPORTUNITIES

Electricals
SIZE: ~ Rs. 45K crores
CAGR (2018-23): ~12%

Home Appliances
SIZE: ~ Rs. 70K crores
CAGR (2018-23): ~15%

Source: Industry

HAVELLS : SNAP SHOT

(Rs. in crores)

An Indian FMEG	FY 2012	FY2017	CAGR% (5yrs)
Turnover	3,581	6,135	11%
EBITDA %	12.8%	13.4%	12%
Net Profit before exceptions	305	596	16%
Market Capitalization	7,138	31,660*	

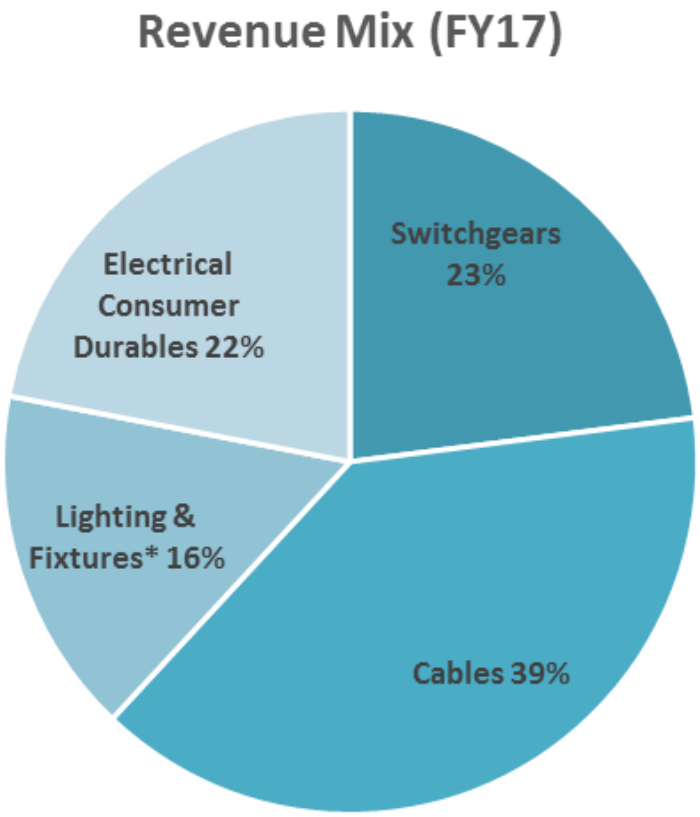
* as on 6th February 2018

FAVOURABLE MACRO LEVERS

Urbanization	To be 40% by 2030 from 31% currently Investment on infrastructure and housing will be key focus area
Electrification	High degree of focus on electrification, presently 78% population electrified, low quality and regular supply are key issues
Organized Penetration	Low to medium penetration in most of the categories Large presence of unorganized sector
Young Demography	Growing middle class across urban, semi urban. Brand aspiration, better standard of living and global exposure

HAVELLS ELECTRICAL

SEGMENTS


Revenue Mix (FY17)
Switchgears 23%
Cables 39%
Lighting & Fixtures* 16%
Electrical Consumer Durables 22%

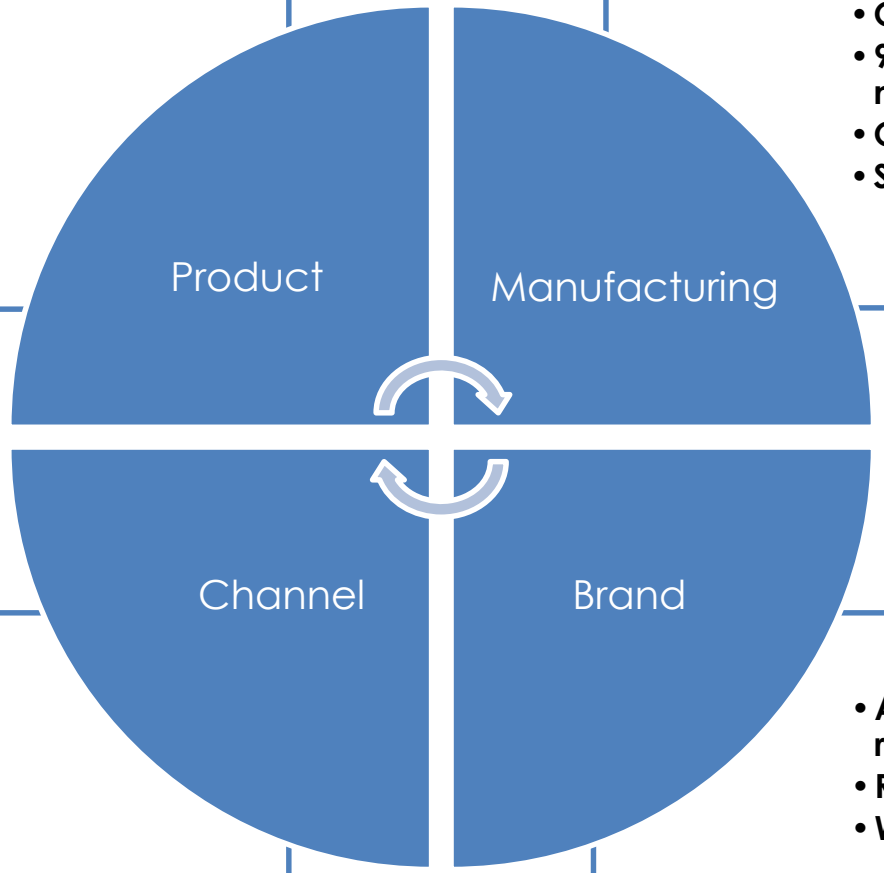
MARKET SHARE: TOP 3 ACROSS CATEGORIES

	Product	Indicative Market Size (Rs. in crores)	Indicative Market Share	Indicative Rank	Organized Penetration Level	Peers
Switchgears	MCB	2,200	27-28%	# 1	High	Legrand, Schneider
	Switches*	2,200	14-15%	# 3	Medium	Panasonic (Anchor), Legrand
Cable	Domestic	8,000	16%	# 3	Low	Finolex, Polycab
	Industrial	12,000	10%	# 3	Medium	Polycab, KEI
LED Lighting	Lighting & Fixtures	6,500	10-14%	# 2-4	Medium	Philips, Crompton, Bajaj, Wipro
ECD	Fans	6,900	16%	# 3	High	Crompton, Orient, Usha
	Water Heaters	1,400	15%	# 3	Low	Racold, AO Smith
	Other Appliances	5,200	2-3%	-	Low	Bajaj, Philips

* Premium modular plate switches

EXCELLENCE ACROSS VERTICES

- Consistent new product introduction
- "Technology"
- "Aesthetics"



- One Plant-One Product focus
- 90%+ revenue from in-house manufacturing
- Quality
- Supply Chain

- 360° connect
- Connecting retailers and electricians
- Expansion in tier3-4 towns
- Emerging channels – MFR, E-Commerce

- Ad spend of c.3-4% of revenue
- Regional focus
- Wider communication

DEEPENING PARTNERSHIP WITH CHANNEL : 360° CONNECT

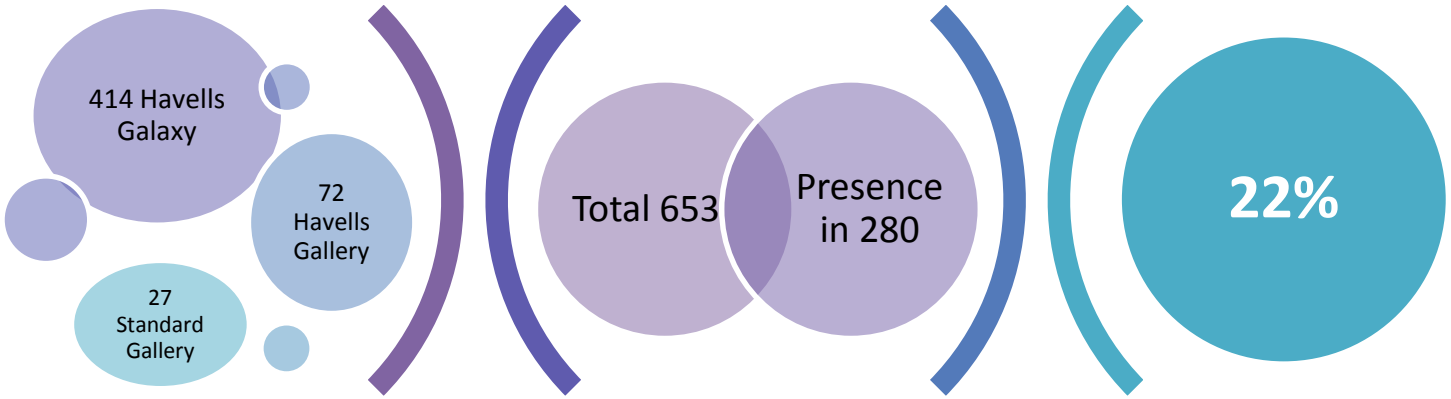
- Deeper focus on distribution and last mile connect with retailers and electricians, to be serviced through existing dealer
- Simplified incentive scheme for easier adoption and participation
- Omni channel presence , to expand into Brand Shop, MFR, Projects and Ecommerce

~7,500
Direct Dealers

~100,000
Retailers

~220,000
Electricians

CHANNEL EXPANSION-GALAXIES



Brand Shops - 513

District Presence

Business Contribution

(Ex Cable)

All Products under 1 Roof

Strategic Brand Advantage

Better Product Experience

Higher Brand Recall

Largest Brand Shop Channel in Industry

SUSTAINED INVESTMENT IN BRAND & SUPPLY CHAIN

Brand: Sizable investment in advertisement, 3-4% of revenue, comparable with industry leaders in paints, adhesive etc.

Invested Rs 770 crores in advertisement and promotion over last 5 years.

Fortifying Management Bandwidth: Strengthening organization structure for sharper focus with greater accountability.

5 strategic business units, to be managed separately with complete responsibility of P&L.

Manufacturing: Currently ~ 90% of sale is from in-house manufacturing.

12 large scale, well equipped plants with one plant - one product focus.

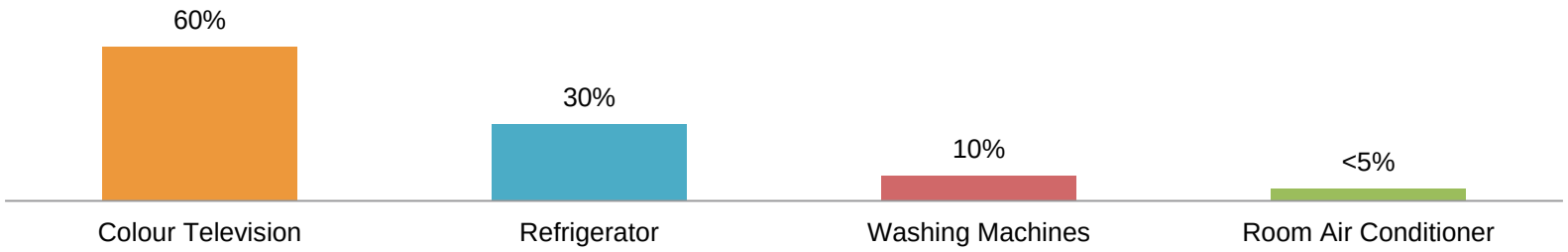
After Sales Service: Large Network for entire product category – covering 400 cities, 7 vernacular languages + Hindi & English, 580 channel partners with 2,000 people + 250 Havells' employees.

LLOYD

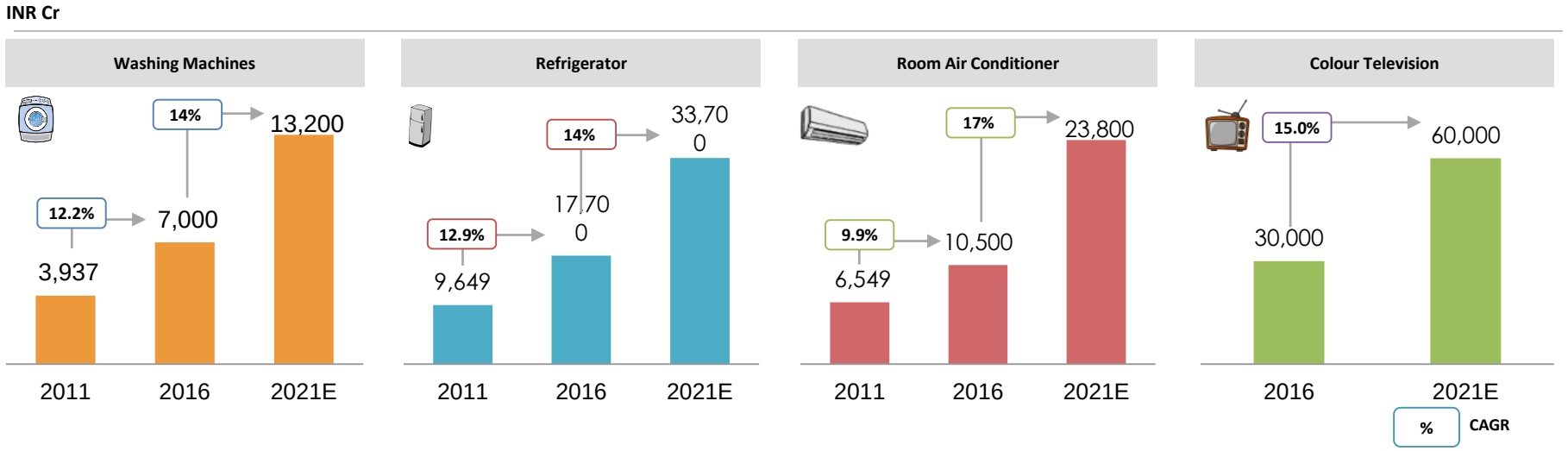
DEEPER INTO HOMES

HIGH GROWTH POTENTIAL INDUSTRY

- **Low Penetration**

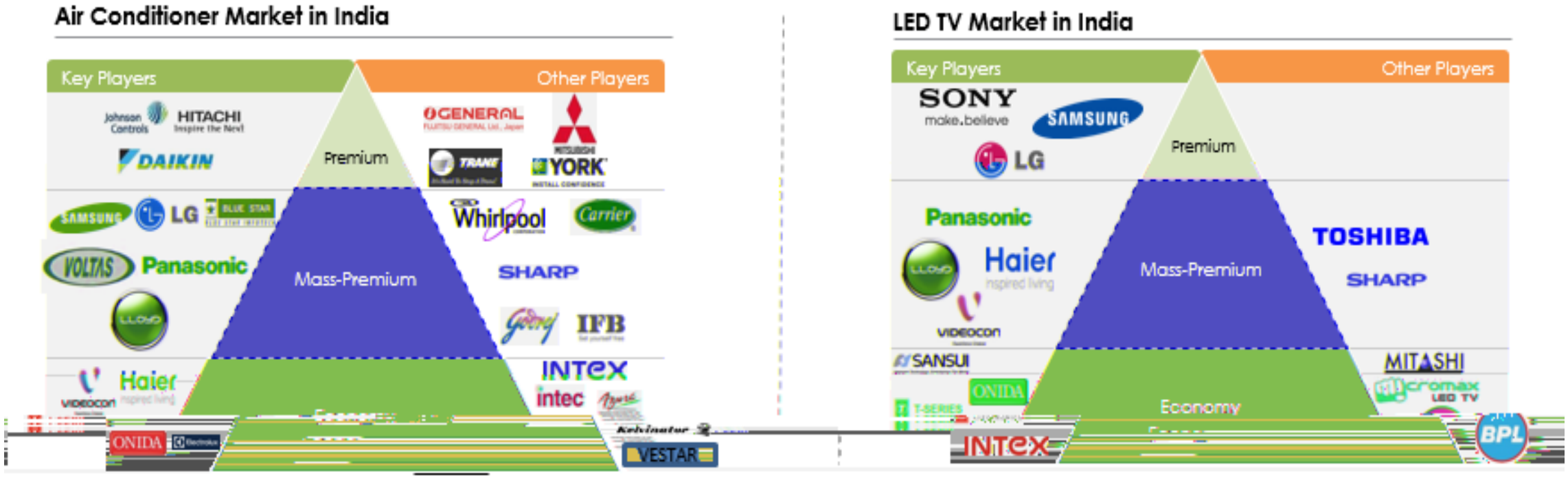


- **Each Product Group Expected To Grow At Double Digit**



Source: Industry data

MASS PREMIUM POSITIONING



LLOYD WELL PLACED IN CONSUMER DURABLES MARKET

FY17 Gross sales of c.INR 2,000 Cr

Gained 13% share in AC segment of India in < 7 years

Among top three AC players in the country

Gained 3% share in LED TV segment of India in < 5 years

Innovative and aggressive in brand building initiatives, created a strong connect

10,000+ Display points pan India

600+ Service centers pan India

6 decades of Brand vintage in B2B – HVAC&R segment

Presence across 450+ cities

STRATEGIC INITIATIVES

- **Channel**
  - ✓ 65% through distributors, gravitate to industry average of ~50%+
  - ✓ Brand Store, MTs, RRs to extend the reach and improve brand imagery
  - ✓ Expand in Tier 1 and Metro towns

- **Portfolio Expansion**
  - ✓ Reduce dependence on single product category
  - ✓ Strengthen the offering in TV and WM

- In-house manufacture and product development; committed an outlay of ~Rs. 350 crores for AC plant at Neemrana

- Fortifying Lloyd Management team across products, sales and marketing

- Leverage Havells brand, infrastructure, consumer connect

ASPIRATION

- Opportunity for well capitalised, committed long range players
- To be an integrated, formidable and well entrenched consumer durable brand
- Innovation focussed on local requirements
- Deeper presence across product categories and geographies
- Amongst top five players in each category

FINANCIALS

STANDALONE FINANCIALS

Financial highlights

in millions of Rupee

	FY16 Havells	FY17 Havells	9M FY18 Havells	9M FY18 Lloyd (from 8th May'17)	9M FY18 Havells Total
Net Revenue	53,783	61,353	47,737	8,300	56,037
Growth %	*4%*	*14%*	*8%***	--	*27%*
EBIDTA %	*14.0%*	*13.4%*	*13.6%*	*4.8%*	*12.3%*
PBT % before exceptions	*13.1%*	*13.5%*	*13.0%*	*5.2%*	*11.8%*
*PAT% before exceptions**	9.5%	9.7%	--	--	9.1%
CAPEX	1,766	2,386	--	--	890
ROCE %	*27%*	*26%*	--	--	*26%*
Net Worth	29,537	32,736	--	--	35,074
Net Working Capital	5,057	5,274	--	--	5,776
Cash & Bank	13,652	19,375	--	--	7,865

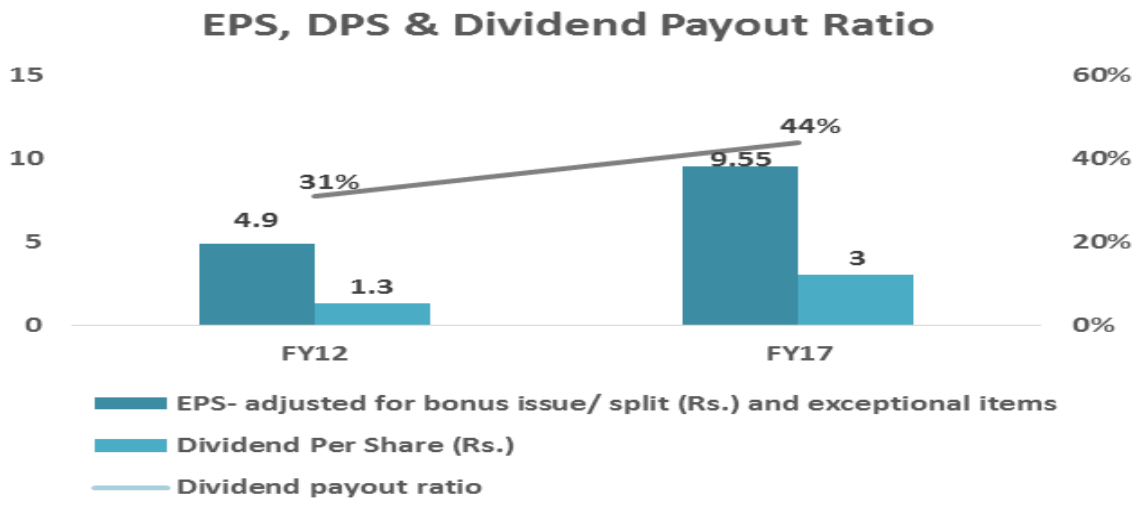
• Low working capital due to channel financing made available to dealers i.e. direct funding by bankers with no recourse on the company

* PAT for 9M FY18, FY17 and FY16 was Rs. 4,868, Rs. 5,390 and Rs. 7,120 mn including exceptional items

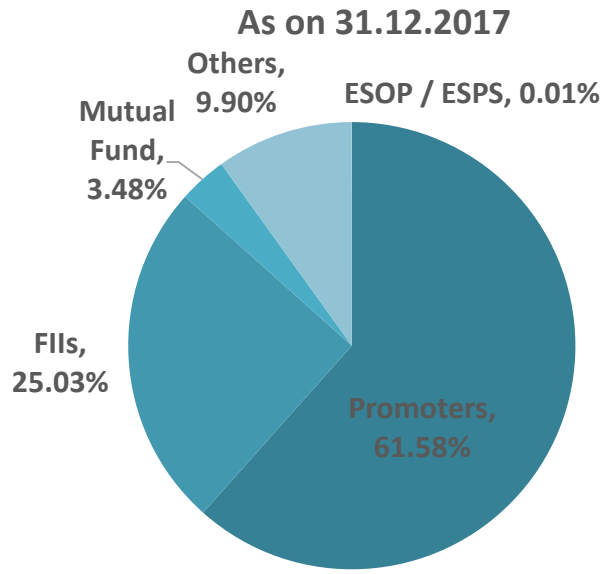
** After adjustment of excise in exempted zones, growth over last year in 9M is 11%

BENCHMARKING WITH THE BEST CORPORATE, FINANCIAL AND SHAREHOLDERS GOVERNANCE

- Promoters- single business focus
- Transparent and detailed communication to shareholders
- Committed to high standards of corporate and shareholder governance, assigned CGR 2+ rating by CARE



Shareholding Pattern



SUMMARY

- India represents large untapped opportunity with lower penetration, higher unorganized sector & growing electrification
- Havells preparing for future with constant products expansion, deepening market reach & brand reinforcement
- Organic leverage with opportunistic acquisition to drive growth
- Strengthening management bandwidth to lead ambitious growth plan
- Native business acumen, market connect and ethics remain core values

Crabtree

STANDARD

HAVELLS

REO

LLOYD

INDIA: ELECTRIFIED BY HAVELLS