

Havells India Limited

Q3 FY25 {Quarter Ended December 31, 2024}

Un-audited Financial Results

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(Havells India Standalone)

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Q3 FY25 (Quarter Ended December 31, 2024)

11.0% YoY Net Revenue Growth	Rs 432 crores EBITDA	Rs 283 crores PAT	Rs 2,710 crores Cash & Cash Equivalent
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1. P&L Summary – Quarterly

<i>(In Rs crores)</i>	Q3 FY25	Q3 FY24	YoY (%)	Q2 FY25
Net Revenue (NR)	4,883	4,401	11.0%	4,533
Contribution	999	891	12.1%	900
<i>as a % of NR</i>	<i>20.5%</i>	<i>20.3%</i>		<i>19.9%</i>
Add: Depreciation / Amortization	104	88		95
Less: Advertising & Sales Promotion	178	176	0.8%	130
<i>as a % of NR</i>	<i>3.6%</i>	<i>4.0%</i>		<i>2.9%</i>
Less: Other SG&A	494	370	33.5%	484
<i>as a % of NR</i>	<i>10.1%</i>	<i>8.4%</i>		<i>10.7%</i>
EBITDA	432	433	(0.2)%	380
<i>as a % of NR</i>	<i>8.8%</i>	<i>9.8%</i>		<i>8.4%</i>
Depreciation / Amortization	104	88		95
Other Income (net)	55	46		83
Profit Before Tax	382	391	(2.2)%	368
<i>as a % of NR</i>	<i>7.8%</i>	<i>8.9%</i>		<i>8.1%</i>
Tax	99	103		95
Net Profit	283	288	(1.7)%	273
<i>as a % of NR</i>	<i>5.8%</i>	<i>6.5%</i>		<i>6.0%</i>
Other Comprehensive Income/(Loss)	(1)	(1)		(1)
Total Comprehensive Income	281	287	(1.8)%	271

Results Summary:

- Improving consumer demand trends aided by festive season
- Infrastructure & industrial demand remains robust
- Commodity fluctuations impacted wires growth, resulting in moderate overall revenue growth
- A&P growth normalization due to festive shift
- Other SG&A growth higher due to a provision write-back in Q3 last year

2. Segment Wise – Quarterly

2.1 Revenue Analysis

(In Rs crores)	Q3 FY25	Q3 FY24	YoY (%)	Q2 FY25
Switchgears	577	521	10.8%	551
Cable	1,688	1,573	7.3%	1,805
Lighting & Fixtures	441	430	2.5%	391
Electrical Cons. Durables	1,104	961	14.9%	856
Others	331	269	22.8%	342
Sub Total	4,141	3,754	10.3%	3,946
Lloyd Consumer	742	647	14.7%	587
Total	4,883	4,401	11.0%	4,533

- Real estate & project business driving growth in domestic switchgear, however industrial switchgear (IP) remained soft
- Strong growth in power cables; Tumkur plant, though in ramp-up stage, has started contributing to growth
- Copper price softness during the quarter led to channel destocking in wires, thus impacting revenues
- Decent volume growth in lighting; revenues remain impacted by persistent LED price deflation
- Growth momentum continued in the 'others' segment
- Steady quarter for Lloyd

2.2 Contribution Margin* Analysis

(In %)	Q3 FY25	Q3 FY24	Q2 FY25
Switchgears	36.0%	39.7%	38.2%
Cable	15.0%	14.5%	12.3%
Lighting & Fixtures	34.0%	30.4%	31.3%
Electrical Cons. Durables	22.1%	24.0%	23.3%
Others	14.8%	17.7%	18.5%
Sub Total	21.8%	22.5%	20.7%
Lloyd Consumer	12.8%	7.4%	14.0%
Total	20.5%	20.3%	19.9%

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

- Switchgears margin declined with mix change towards project business in Q3 & factory under-absorption on account of plant relocation, expect normalization in coming quarters
- Lighting sustainable contribution margin in the range of 31-32%
- ECD margins impacted by product mix, particularly in small domestic appliances
- Lloyd margins improvement led by cost saving initiatives

2.3 Segment Results Analysis

(In Rs crores)	Q3 FY25		Q3 FY24		Q2 FY25	
	Segment Results	% of NR	Segment Results	% of NR	Segment Results	% of NR
Switchgears	105	18.2%	124	23.9%	115	20.9%
Cable	187	11.1%	162	10.3%	155	8.6%
Lighting & Fixtures	65	14.8%	60	14.1%	51	12.9%
Electrical Cons. Durables	95	8.6%	106	11.0%	64	7.5%
Others	(7)	(2.0)%	4	1.4%	7	1.9%
Sub Total	446	10.8%	457	12.2%	391	9.9%
Lloyd Consumer	(31)	(4.2)%	(66)	(10.2)%	(22)	(3.8)%
Total	415	8.5%	391	8.9%	369	8.1%
Finance Cost	(9)	(0.2)%	(10)	(0.2)%	(10)	(0.2)%
Unallocable Expenses	(88)	(1.8)%	(86)	(2.0)%	(83)	(1.8)%
Unallocable Income	64	1.3%	56	1.3%	93	2.0%
Provision no longer required written back (non-recurring)			40	0.9%		
Profit Before Tax	382	7.8%	391	8.9%	368	8.1%

- Additional investments on scaling emerging categories in 'others' segment resulted in loss for Q3 while YTD it is profitable

3. P&L Summary – Nine Months

(In Rs crores)	9MFY25	9MFY24	YoY (%)
Net Revenue (NR)	15,214	13,116	16.0%
Contribution	3,032	2,534	19.6%
<i>as a % of NR</i>	<i>19.9%</i>	<i>19.3%</i>	
Add: Depreciation / Amortization	291	245	
Less: Advertising & Sales Promotion	480	395	21.5%
<i>as a % of NR</i>	<i>3.2%</i>	<i>3.0%</i>	
Less: Other SG&A	1,454	1,175	23.7%
<i>as a % of NR</i>	<i>9.6%</i>	<i>9.0%</i>	
EBITDA	1,388	1,208	14.8%
<i>as a % of NR</i>	<i>9.1%</i>	<i>9.2%</i>	
Depreciation / Amortization	291	245	
Other Income (net)	206	145	
Profit Before Tax	1,303	1,108	17.6%
<i>as a % of NR</i>	<i>8.6%</i>	<i>8.5%</i>	
Tax	336	284	
Net Profit	967	824	17.3%
<i>as a % of NR</i>	<i>6.4%</i>	<i>6.3%</i>	
Other Comprehensive Income/(Loss)	(4)	(3)	
Total Comprehensive Income	963	821	17.2%

4. Segment Wise – Nine Months

4.1 Revenue Analysis

(In Rs crores)	9MFY25	9MFY24	YoY (%)
Switchgears	1,704	1,594	6.9%
Cable	5,014	4,528	10.7%
Lighting & Fixtures	1,217	1,193	2.0%
Electrical Cons. Durables	3,016	2,571	17.3%
Others	1,009	784	28.7%
Sub Total	11,960	10,670	12.1%
Lloyd Consumer	3,253	2,445	33.1%
Total	15,214	13,116	16.0%

4.2 Contribution Margin* Analysis

(In %)	9MFY25	9MFY24
Switchgears	37.6%	39.8%
Cable	13.9%	14.9%
Lighting & Fixtures	32.5%	29.4%
Electrical Cons. Durables	23.2%	23.4%
Others	16.8%	17.5%
Sub Total	21.7%	22.5%
Lloyd Consumer	13.2%	5.5%
Total	19.9%	19.3%

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

4.3 Segment Results Analysis

(In Rs crores)	9MFY25		9MFY24	
	Segment Results	% of NR	Segment Results	% of NR
Switchgears	362	21.2%	412	25.9%
Cable	513	10.2%	501	11.1%
Lighting & Fixtures	179	14.7%	169	14.1%
Electrical Cons. Durables	274	9.1%	285	11.1%
Others	11	1.1%	16	2.0%
Sub Total	1,339	11.2%	1,382	13.0%
Lloyd Consumer	14	0.4%	(202)	(8.2)%
Total	1,353	8.9%	1,181	9.0%
Finance Cost	(28)	(0.2)%	(28)	(0.2)%
Unallocable Expenses	(256)	(1.7)%	(257)	(2.0)%
Unallocable Income	234	1.5%	173	1.3%
Provision no longer required written back (non-recurring)			40	0.3%
Profit Before Tax	1,303	8.6%	1,108	8.5%

5. Balance Sheet

(In Rs crores)

	Dec'24 (Unaudited)	Mar'24 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,186	2,606
Capital work in progress	101	297
Goodwill	310	310
Other intangible assets	1,063	1,071
Intangible assets under development	3	2
Investment in subsidiaries	63	21
Financial assets		
(i) Investments	20	20
(ii) Trade receivables	0	0
(iii) Other financial assets	123	33
Contract assets	2	12
Other non-current assets	79	147
Non Current tax assets (net)	22	35
Total non current assets	4,974	4,554
Current assets		
Inventories	4,377	3,409
Financial assets		
(ii) Trade receivables	892	1,157
(iii) Cash and cash equivalents	284	243
(iv) Bank balances other than (iii) above	2,340	2,772
(v) Other financial assets	7	21
Contract assets	22	28
Other current assets	206	234
Total current assets	8,127	7,864
Assets classified as held for sale	3	2
Total assets	13,103	12,420
EQUITY AND LIABILITIES		
Equity share capital	63	63
Other equity	8,014	7,376
Total equity	8,077	7,438
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	267	242
(ii) Other financial liabilities	7	4
Contract liabilities	6	5
Provisions	63	88
Deferred tax liabilities (net)	368	358
Other non-current liabilities	5	6
Total non current liabilities	715	703
Current liabilities		
Financial liabilities		
(i) Lease liabilities	69	61
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	211	204
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	2,602	2,487
(iii) Other financial liabilities	823	788
Contract liabilities	91	99
Provisions	294	278
Current tax liabilities (net)	60	85
Other current liabilities	162	278
Total current liabilities	4,312	4,279
Total equity and liabilities	13,103	12,420

6. Cash Flow

(In Rs crores)

	9MFY25	FY24
PBT	1,303	1,710
Depreciation	291	338
Others	(99)	(99)
Change in operating assets and liabilities	(652)	431
Taxes Paid	(338)	(392)
Operating Net Cash Flow (A)	505	1,988
Capex	(549)	(786)
Others	143	189
Net Cash Flow from Investing Act. (B)	(405)	(597)
Dividends paid	(376)	(470)
Others	(29)	(63)
Net Cash Flow from Financing Act. (C)	(405)	(534)
Net Cash Flow (A+B+C)	(305)	857
Cash & Cash Equivalent at beginning	3,015	2,158
Cash & Cash Equivalent at end	2,710	3,015

* Cash & Cash Equivalent includes bank deposits also

7. Financial Ratios

	Q3 FY25	Q3 FY24
Profitability		
OPM % {EBITDA/NR}	8.8%	9.8%
ROE % {PAT TTM / Average Net Worth TTM}	18.4%	17.4%
ROCE % {EBIT TTM / Average Capital Employed TTM (Net Worth + Debt)}	25.3%	24.0%
Liquidity		
Current Ratio {CA/CL}	1.9	1.8
Debtor Days {Debtors/NR TTM}	16	13
Inventory Days {Inventories/NR TTM}	77	75
Creditor Days {Creditors/NR TTM}	50	51
Net working capital days*	43	37

*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 16th January 2025.

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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