



HAVELLS



HAVELLS INDIA LIMITED

MAY 2022

A WELL STACKED FMEG



Well entrenched Brand

- Mass Premium
- National Presence
- 5 Brands addressing markets and channels

Self Reliant

- >90% in-house manufacturing
- High level of automation and integration



Widely Distributed

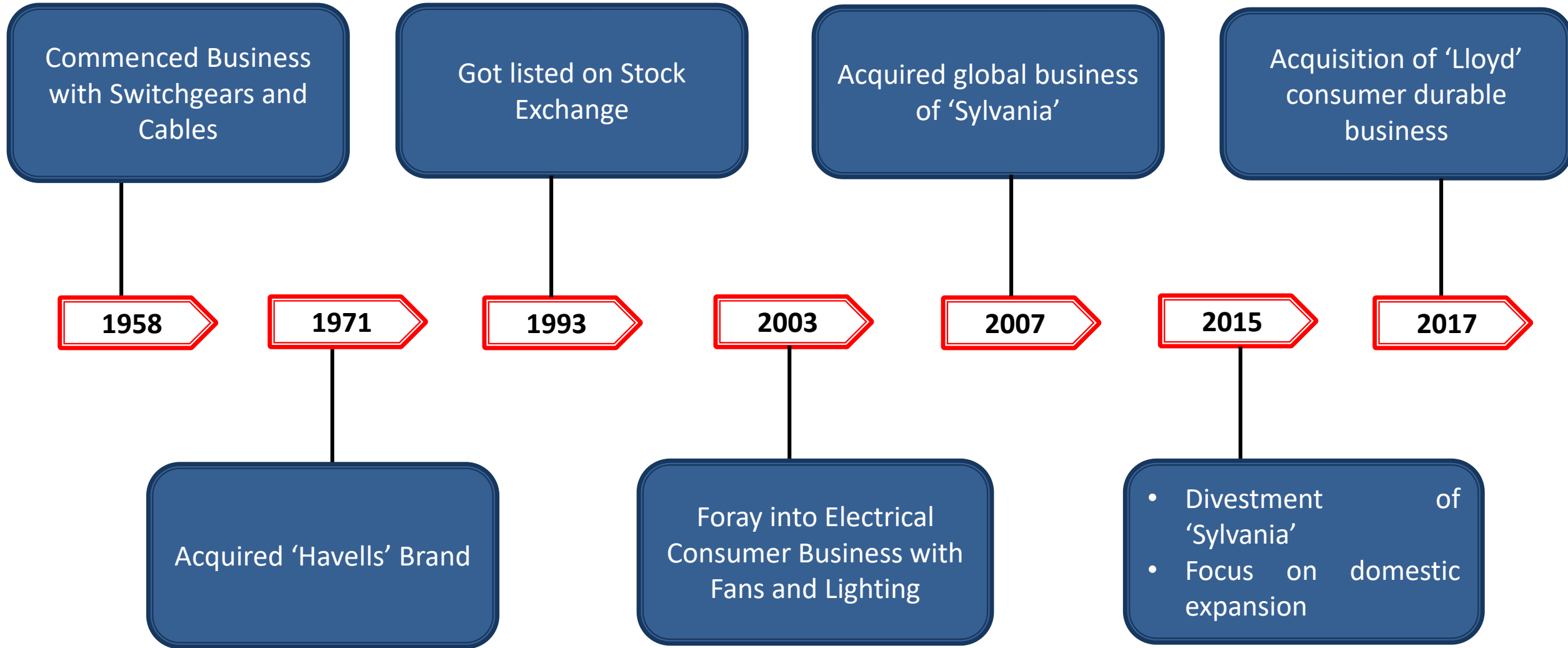
- Omni Channel
- ~14,000 direct dealers
- ~210,000 retailers



Widest Product Portfolio

- 21 product verticals
- ~USD 15 bn addressable market

AN EVOLVING JOURNEY

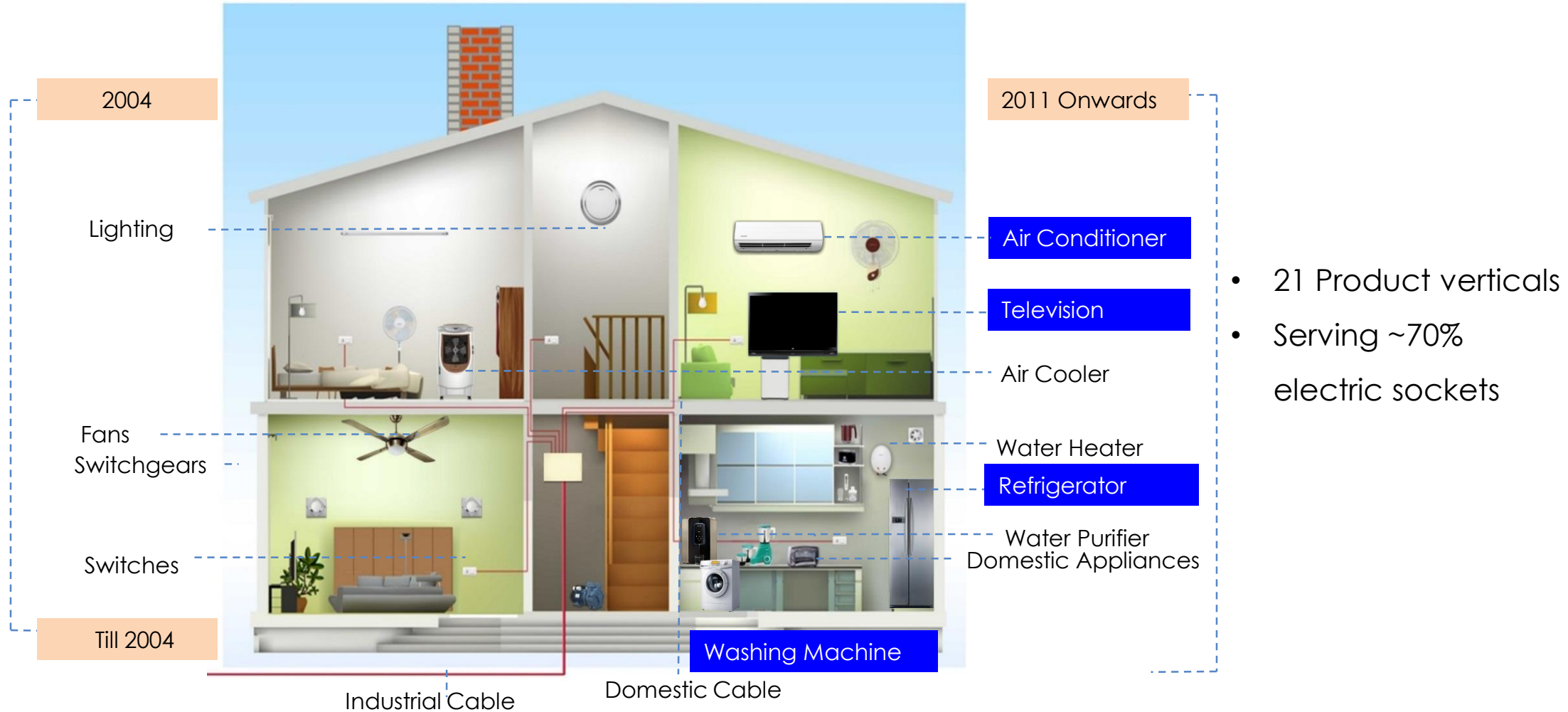


KEY MILESTONES

- Commodity to Branded
- Single to Multi product
- Large scale manufacturing to drive efficiency and quality
- Mass to 'mass premium'
- Pan India Brand and uniform pricing
- Acquisition of Sylvania and pragmatic exit
- Lloyd Acquisition
 - ✓ Entry into high potential Consumer Durables
 - ✓ Aligned with 'Deeper into Homes'
- Expanding consumer touch point , Omni customer Omni Havells



DEEPER INTO HOMES



A 10 YEAR RETROSPECT

in INR crores

	FY 2012	FY 2022	CAGR
Revenues	3,616	13,889	14%
EBIDTA	459	1,758	14%
PAT	305	1,195	15%
Net Worth	1,608	5,989	14%
Cash Net of Debt	8	2,586	
Dividend Payout%	31%	39%	
Product Lines	13	21	
Number of Towns	1,054	1,853	
Head count	3,090	5,970	

The above information is based on standalone financials



HAVELLS



MOVING AHEAD

WELL BALANCED PORTFOLIO

Revenue Mix (FY22)

Switchgears



13%

Cables



33%

Lighting & Fixtures



10%

Electrical Consumer & Durables



22%

Lloyd



16%

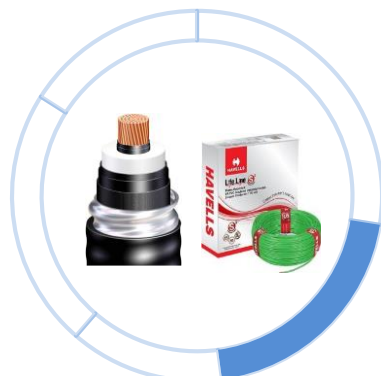
Contribution Margin Mix (FY22)

Switchgears



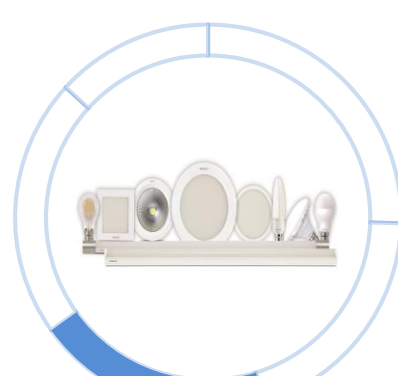
24%

Cables



24%

Lighting & Fixtures



15%

Electrical Consumer & Durables











25%

Lloyd



5%

MARKET SHARE: TOP 3 ACROSS CATEGORIES

	Product	Indicative Market Size (Rs. in crores)	Indicative Market Share	Indicative Rank	Organized Penetration Level	Peers
Switchgears	MCB 	3,000	~18-20%	Top 3	High	Legrand, Schneider
	Switches* 	4,500	~12-13%	Top 3	Medium	Panasonic (Anchor), Legrand
Cable	Flexible 	17,000	~16%	Top 3	Low	Finolex, Polycab
	Power (LT & MV) 	17,000	~10-11%	Top 3	Medium	Polycab, KEI
LED Lighting	Lighting & Fixtures 	14,000	~10-12%	Top 3	Medium	Philips, Wipro, Crompton
ECD	Fans 	8,500	~20%	Top 3	High	Crompton, Usha, Orient
	Water Heaters 	2,500	~20%	Top 3	Medium	Racold, AO Smith, Bajaj
	Other Appliances 	7,000	~10%	Top 3	Medium	Philips, Bajaj

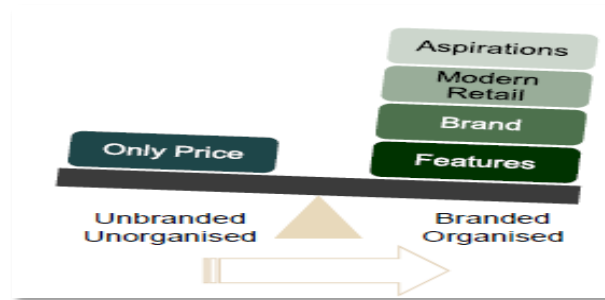
* Modular plate switches

GROWTH LEVERS

Electrification- semi urban & rural penetration



Aspirational shift for brands



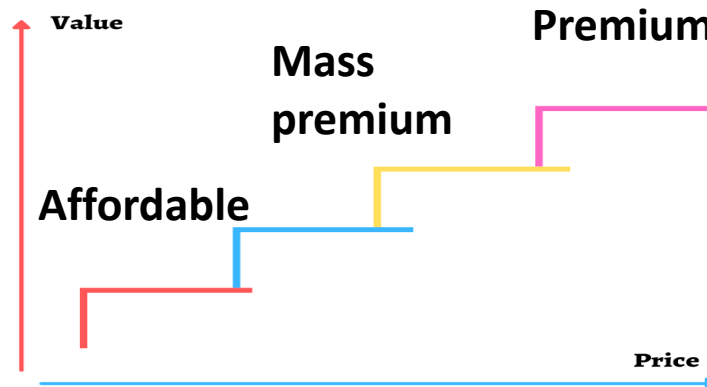
Formalization & Digitisation



Nuclearization of families



Product Expansion & Laddering



Rise in disposable income & comfort led demand



HAVELLS

DISTRIBUTION: BROADENING ROUTE TO MARKET

Traditional



Modern Trade



E-Commerce



Exclusive Stores



Projects



Govt. Canteen Stores



Exports

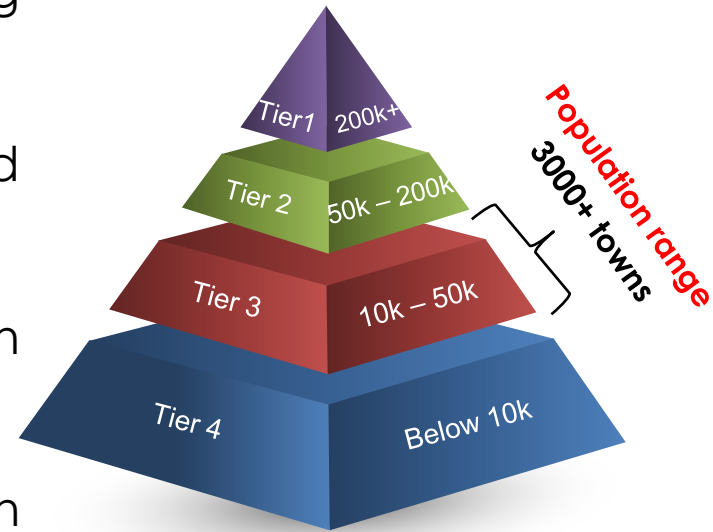


Rural



DISTRIBUTION: RURAL- UNTAPPED OPPORTUNITY

- Improved electricity penetration creating demand
- Informed rural customer shifting to trusted brands
- Direct presence in 3,000 towns with population range of 10K-50K
- Havells is the most penetrated FMEG brand in Rural markets



Present portfolio for rural markets



Lighting



Switches



Switch gear



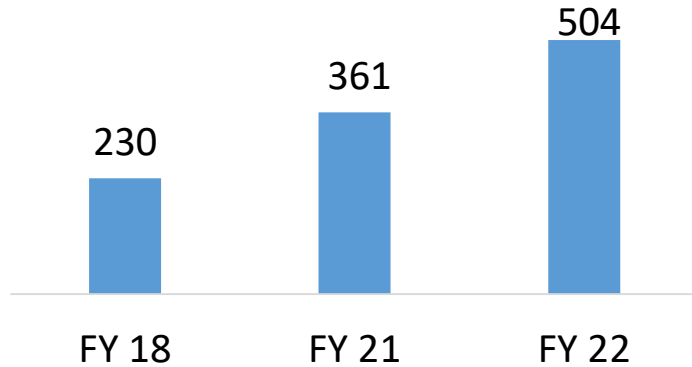
Wires



Fans

DISTRIBUTION: EXPORTS

Exports (in INR crs)



Strengths & Opportunity

- Brand, Manufacturing & technical capabilities
- Wide product portfolio
- China +1 (Creating global opportunities)
- Hitherto Nebulous now in focus
- Broad basing markets, including developed countries

Outdoor & In-Shop Branding



Uganda



Qatar

Brand Shops



Sierra Leone & Ghana

DRIVING BRAND AFFINITY

➤ National Advertising



➤ Regional Associations



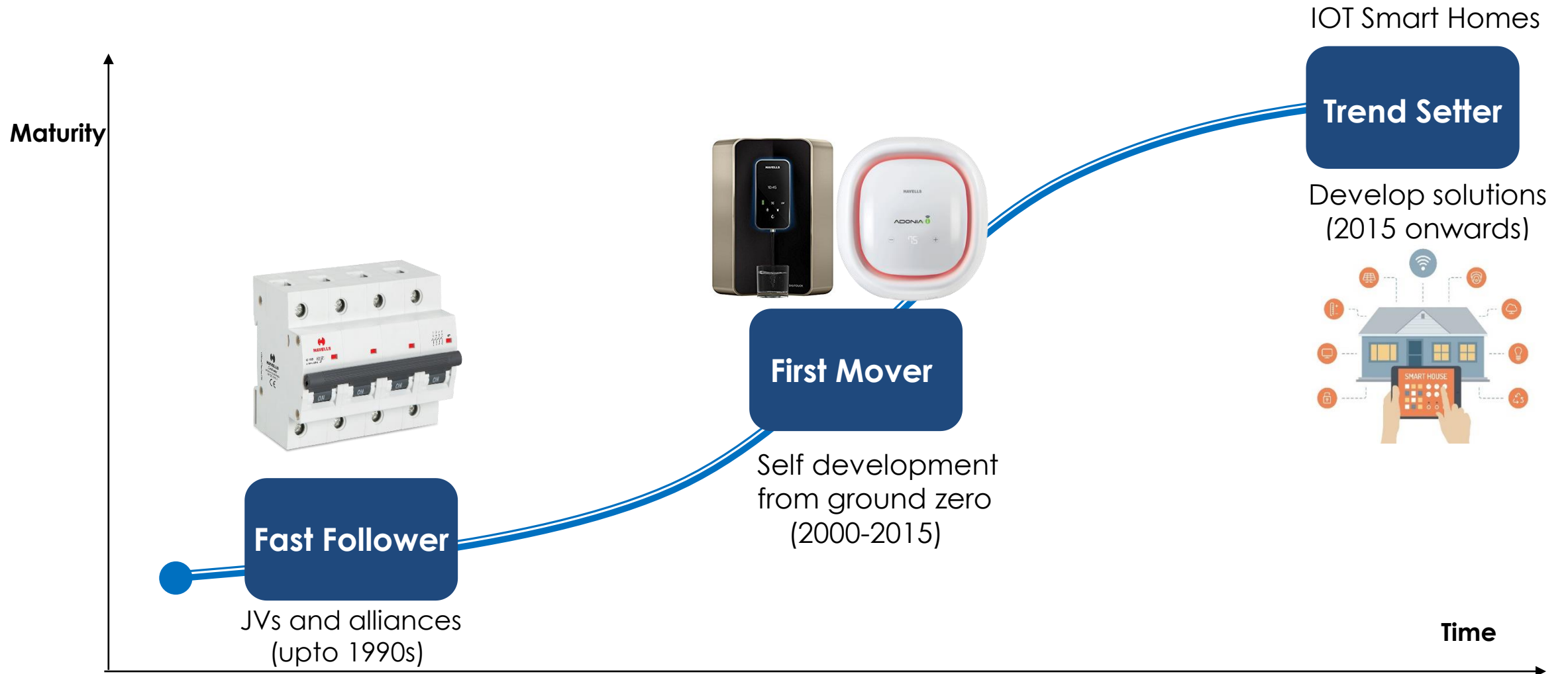
➤ Digital campaigns



➤ Brand Shops

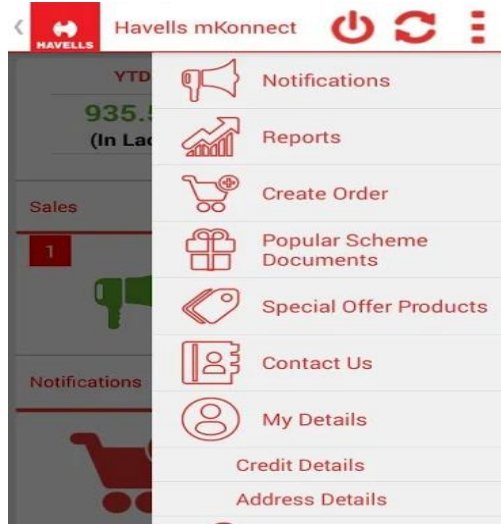


FAST FOLLOWER TO THOUGHT LEADERSHIP: R&D



DIGITIZATION: DRIVING BUSINESS EFFICIENCY

Distribution Management System (DMS)



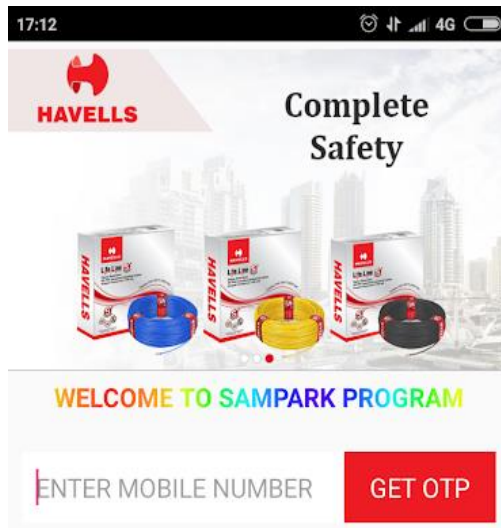
SAMPARK

Retailers Engagement Program

Digital Knowledge Centre



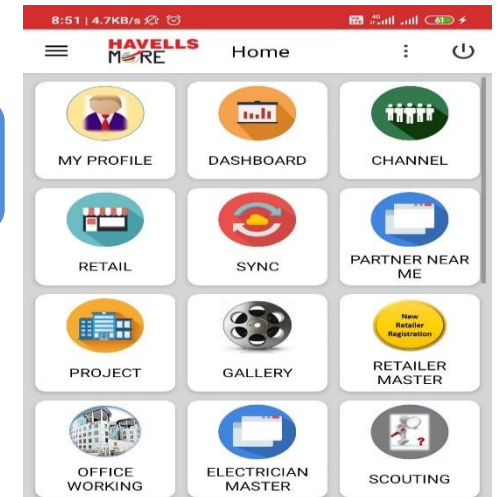
mKonnnect: Dealer App



E-PLUS 2.0

Electrician Loyalty Program

Sales Force Automation



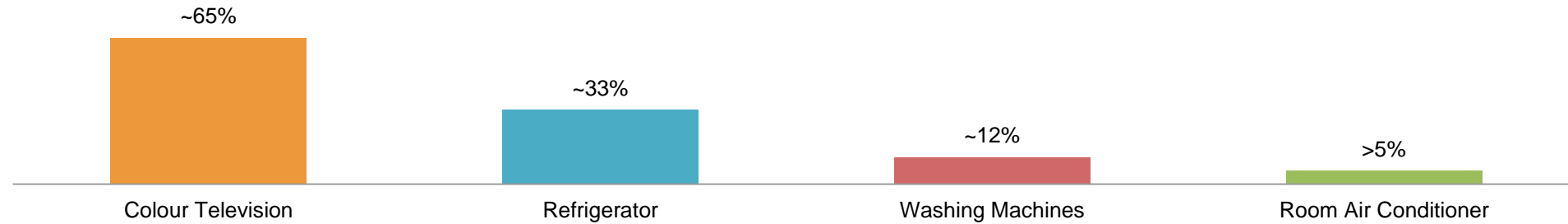
LLOYD

- Revenue of ~ INR 2200 crores (~\$ 300 mn)
- Among top three AC players in the country
- Recently launched Washing Machine and Refrigerator
- A full stack consumer appliances play
- Leveraging Havells strength



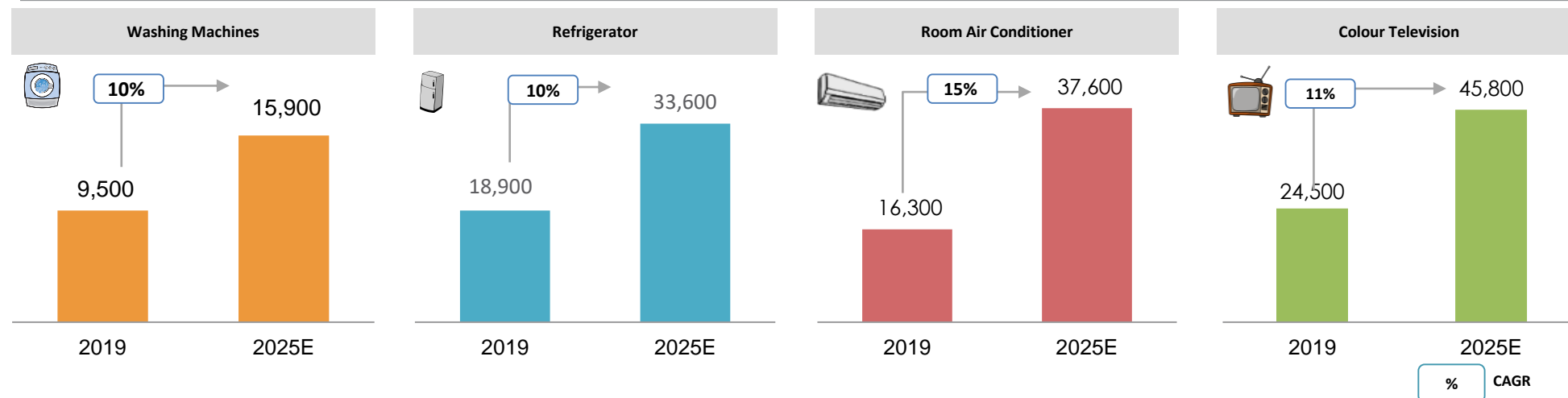
HIGH GROWTH POTENTIAL INDUSTRY

- Low Penetration



- Each Product Group Expected To Grow At Double Digit

INR Cr



Source: CEAMA and Frost and Sullivan

GROWTH PILLARS IN PLACE

Local Manufacturing

- Sourcing Indigenized
- In-house manufacturing of AC



Channel Expansion

- Display at all the large retail chains
- Enhance numeric reach across India



Comprehensive CD Portfolio

- Introduction of REF now completes the basket



Brand Salience

- Celebrity engagement
- High decibel promotion
- Mass to mass premium



STANDALONE FINANCIALS

Financial highlights

in millions of Rupee

	FY18	FY19	FY20	FY21	FY22
Net Revenue	81,385	100,677	94,292	104,279	138,885
Growth %	33%**	24%**	(6%)#	11%	33%
EBIDTA %	12.9%	11.8%	11.9%	15.0%	12.7%
PBT % before exceptions	12.3%	11.4%	9.6%	13.7%	11.5%
PAT % before exceptions*	8.6%	7.8%	7.8%	10.0%	8.6%
CAPEX (incl. intangibles)	15,888	4,996	3,592	2,189	2,545
ROCE %	30%	30%	24%	29%	30%
Net Worth	37,392	41,922	43,048	51,645	59,886
Net Working Capital	3,131	7,655	6,987	15,834	13,535
Cash & Bank	15,262	12,877	11,069	19,310	29,821

* PAT for FY18 was 8.8% in both years including exceptional items

** Ex-Lloyd excise adjusted growth in FY18 and FY19 was 13% and 22% respectively

Ex-Covid, annual growth could have been 2%

GROWTH WITH RESPONSIBILITY

Mid-day Meal Programs



60000 hot meals served everyday to students across 693 schools.

Green Cover Programs



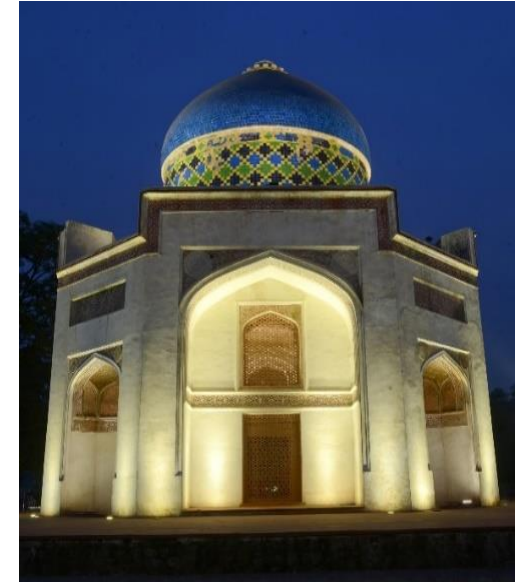
15 lakh saplings planted till date

Sanitation Programs



4600 bio-toilets Installed till date

Heritage Programs



First of its kind restoration project that is funded through CSR

Ranked 7th by DJSI in the global electrical equipment sector

SUMMARY

- Havells taps into a vast, high priority electrical products in home construction, improvement and convenience segment
- With improvement in per capital income , there will be a greater discretionary spend towards premiumization, brand affinity and comfort
- Distribution penetration, its universality , product digitisation and business efficiency through technology will be key focus
- Native business acumen, market connect and ethics remain core values

THANK YOU