

28th July, 2014

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: INFORMATION UPDATE ON THE UNAUDITED FINANCIAL RESULTS Q1 2014-15

Dear Sir,

In furtherance to the un-audited standalone financial results of the Company viz. Havells India Limited already forwarded to the stock exchanges this day in compliance of Clause 41 of the Listing Agreement, also please find enclosed herewith an information update on the Q1 FY 2014-15 financial results.

The above is for your information and records.

Thanking you.

Yours faithfully,
for Havells India Limited


(Sanjay Gupta)
Company Secretary

Encl: as above

HAVELLS INDIA LTD.

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CIN:L31900DL1983PLC016304

Havells India Limited

Q1 2014-15 {JUNE 30, 2014}
{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 28th July 2014.

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Key Highlights

QUARTERLY RESULTS HIGHLIGHT

(Rs in crores)	Q1-FY14	Q1-FY15	Change%
<u>Havells (Standalone)</u>			
Revenue	1,051	1,277	21%
Operating Profit (EBIDTA)	141	161	14%
Profit before tax	115	150	30%
Profit after tax	95	107	13%

(In Euro mn)

Sylvania Global

Revenue	€ 106.7	€ 107.2	-
Operating Profit (EBIDTA)	€ 4.2	€ 4.6	-
Profit before tax	€ (0.2)	€ 1.4	-
Profit after tax	€ (0.8)	€ 0.3	-

(Rs in crores)

Consolidated

Revenue	1,823	2,129	17%
Operating Profit (EBIDTA)	172	202	17%
Profit before tax	113	163	44%
Profit after tax	87	112	28%

SECTION 1. HAVELLS INDIA (STANDALONE)

A. Q1 2014-15 RESULTS ANALYSIS

Table 1.1: P&L Summary (Havells India) - Quarterly

In crores of rupees	Q1 FY14	Q1 FY15	Change (%)	Q4 FY14
Net Revenue	1,051.3	1,276.9	21%	1,310.0
EBIDTA	141.1	161.1	14%	168.2
as a % of NR	13.4%	12.6%		12.8%
Depreciation	15.6	20.8		16.0
Finance Cost	5.6	3.3		6.7
Foreign Exchange (gain)/ loss	7.7	(1.1)		(8.9)
Add: Other Income	3.2	11.5		14.1
Profit before tax	115.4	149.6	30%	168.5
as a % of NR	11.0%	11.7%		12.9%
Tax	20.7	42.3		31.6
Net Profit	94.7	107.3	13%	136.9
as a % of NR	9.0%	8.4%		10.5%

Results summary

- Steady growth registered across all business segments. Margin improvement across product segments. Product mix change with Cables segment registering higher growth impacting the overall margins.
- There has been a change in calculation of depreciation under new Companies Act 2013. The useful life of assets has been reduced. This has increased the depreciation by Rs 4.8 crores in Q1FY15 and will have similar effect for the full year. In addition to this, there has been certain assets whose useful life is already expired under the new act. A one-time depreciation cost of Rs 3.4 crores based on transitional provision has been adjusted with retained earnings in Q1FY15 for these assets.
- The other income includes interest income of Rs 10.3 crores in Q1FY15 as compared to Rs 2.5 crores in Q1FY14.
- The total foreign exchange gain in Q1FY15 was Rs 1.2 crores as compared to loss of Rs 10.3 crores in Q1FY14 (Rs 2.6 crores exchange loss included under finance cost).
- The tax rate for FY15 has increased due to reduction/ expiry of available tax exemption in certain manufacturing plants of the company. Tax amount for Q1FY15 has been calculated based on current applicable rate ~ 28% for the full year 2014-15.

Table 1.2: Segment wise Revenue analysis (Havells India) - Quarterly

In crores of rupees	Q1 FY14	Q1 FY15	Change (%)
Switchgears	275.9	307.3	11%
Cable	404.9	534.8	32%
Lighting & Fixtures	148.2	165.4	12%
Electrical Cons. Durables	222.3	269.4	21%
Total	1,051.3	1,276.9	21%

During Q1FY15 Cable division registered strong growth of 32% as compared to the growth of 14% registered in last financial year 2013-14.

Electrical Consumer Durables registered a growth of 21% as compared to the growth of 8% registered in last financial year 2013-14.

Table 1.3: Segment wise contribution margin analysis (Havells India) - Quarterly

	Revenue Mix %	Q1 FY14 Contribution Margins	Contribution Margins %	Revenue Mix %	Q1 FY15 Contribution Margins	Contribution Margins %
Switchgears	26%	99.6	36.1%	24%	112.0	36.5%
Cable	39%	40.5	10.0%	42%	58.8	11.0%
Lighting & Fixtures	14%	37.2	25.1%	13%	43.0	26.0%
Electrical Cons. Durables	21%	59.7	26.9%	21%	68.3	25.4%
Total	100%	237.0	22.5%	100%	282.1	22.1%

Contribution by Segment

- Contribution margins are derived after deducting material cost, manufacturing variables, direct selling variables and depreciation from the net revenue.
- In view of the new Company's Act 2013, additional depreciation of Rs 4.8 crores has been provided in Q1FY15.
- Continuous improvement in margins in Cable segment as a result of focused approach in both industrial and flexible cables.
- Product mix change as a result of higher growth in Cables impacted the contribution margin by 0.7%. Additionally depreciation impacted the contribution margin by 0.4%.

Table 1.4: Balance Sheet highlights (Havells India standalone)

	As at March14 <i>Audited</i>	As at June14 <i>Un-Audited</i>
<i>In crores of rupees</i>		
Shareholders' Fund		
Share Capital	62.4	62.4
Reserves and Surplus	2,067.5	2,172.6
	2,129.9	2,235.0
Loan Funds		
Term loans	120.1	110.2
Working Capital Loan	-	-
Fixed Deposit	63.0	62.9
Deferred Tax Liability	51.7	49.9
Other Non-current liabilities	42.5	56.1
Current Liabilities		
Short term borrowings	12.4	-
Trade Payables	439.6	474.4
Others	538.9	576.0
Total	3,398.1	3,564.5
Fixed Assets	934.1	942.0
Investments	882.5	900.9
Other non-current assets	71.5	60.6
Current Assets		
Inventories	682.7	786.9
Trade receivables	136.5	160.6
Cash & Bank balance	626.1	644.6
Others	64.7	68.9
Total	3,398.1	3,564.5

Summary

Rs 18.5 crores (Euro 2.3 million) was invested in Q1FY15 in Havells Holdings Limited to repay the installment of recourse debt of Euro 26 million which reduces the Havells guarantee by the same amount. As on 30th June 2014 total outstanding principal amount is Euro 15.2 million.

Fixed deposits under loan funds are from dealers under dealer incentive scheme.

Table 1.5: Cash flow highlights (Havells India)

In crores of rupees	Q1FY14	Q1FY15
Profit before tax	115.4	149.6
Unrealised foreign exchange (gain)/loss(net)	10.6	(1.8)
Other Adjustments	19.1	13.7
Operating Profit before working capital changes	145.1	161.5
Movement in working capital		
(Increase)/Decrease in trade receivables	(3.1)	(23.8)
(Increase)/Decrease in inventories	32.6	(104.2)
Increase/(Decrease) in trade payables	(10.9)	35.3
Others	3.6	2.3*
	22.2	(90.4)
Cash generated from/(used) in operations	167.3	71.1
Direct taxes paid(net of refunds)	(7.7)	(31.3)
Net cash flow from/(used)in Operating Activities(A)	159.6	39.8
Cash Flow from Investing Activities		
Capital Expenditure	(13.8)	(33.2)
Investment in shares of subsidiary companies	(19.7)	(18.4)
Others	2.5	7.6
Net Cash flow from/(used)in investing Activities(B)	(31.0)	(44.0)
Cash Flow from Financing Activities		
(Repayment)/Proceeds of borrowing		(22.6)
Others	44.3	45.0*
Net cash flow from/(used)in Financing Activities(C)	44.3	22.4
Net increase/decrease in cash & cash equivalents (A+B+C)	172.9	18.2
Opening Cash	246.5	626.1
Others	0.2	0.3
Closing Cash	419.6	644.6

Cash Flow – Highlights

*For the purpose of comparison, there has been re-classification of an amount of Rs 46 crores lying with the company under dealer incentive scheme. In both the periods under reporting this amount has been shown under the head Cash Flow from Financing Activities – 'Others'.

There has been an increase in net working capital in Q1FY15 and applicable tax rates, impacting cash flow from operations.

Table 1.6: Total Net Debt (Havells Standalone)

In crores of rupees	31 March 2014	30 June 2014
1. Short Term	12.4	-
2. Term loan	120.1	110.2
3. Deposits	63.0	62.9
Total debt	195.5	173.1
Less: Cash	626.1	644.6
Total Net debt	(430.6)	(471.5)

* Term loan includes External Commercial Borrowing of USD 20 mn from HSBC bank (Mauritius) Limited repayable in 12 equal quarterly repayment of USD 16,66,667 started from April 2014.

* Repayment of Rs 10.2 crores done in Q1FY15.

Table 1.7: Financial Ratios

Financial Ratios	Q1FY14	Q1FY15
Profitability		
OPM (%) (EBITDA/NR)	13.4%	12.6%
PAT % (PAT/NR)	9.0%	8.4%
ROCE % (EBITDA TTM/ Average CE)	28.1%	30.7%
RONW % (PAT TTM/ Average NW)	21.1%	23.4%
Liquidity Ratio		
Current Ratio (CA/CL)	1.5	1.5
Debtors days (Debtors/NR)	12	11
Inventory days (Inventories/NR)	54	55
Creditors days (TC/COGS)	55	55
Net Working Capital - days	11	11
Leverage Ratio		
Debt/Total Equity	0.1	0.1

Key Ratios

- Improvement in return on capital employed and return on net worth.
- No change in working capital.
- However there has been increase in working capital in Q1FY15 as visible in cash flow highlights above. There has been increase in no. of days in June 2014 from March 2014 while reporting decline in corresponding period last year.

SECTION 2. SYLVANIA (STANDALONE)

Table 2.1: P&L Summary (Sylvania standalone) - Quarterly

In millions of Euro	Q1FY14	Q1FY15	Change %	Q4FY14
Net Revenue	€ 106.7	€ 107.2	0.5%	€ 115.0
Operating expenses	€ 102.5	€ 101.7		€ 108.9
Pension liability	-	€ 0.9		€ 4.3
EBIDTA	€ 4.2	€ 4.6		€ 1.8
<i>as a % of NR</i>	3.9%	4.3%		1.6%
Depreciation	€ 1.7	€ 1.6		€ 1.5
Finance Cost	€ 1.4	€ 1.2		€ 1.3
Foreign Exchange (gain)/Loss	€ 1.5	€ 0.4		€ 0.8
Add: other Income	€ (0.2)	-		€ 0.4
Profit before tax	€ (0.2)	€ 1.4		€ (1.4)
<i>as % of NR</i>	-	1.3%		-
Tax	€ 0.6	€ 1.1		€ 1.9
Net Profit	€ (0.8)	€ 0.3		€ (3.3)

Results Summary

Continuous stability in topline and margins.

Table 2.2: Region wise revenue and margin analysis (Sylvania)

Europe results highlights

In millions of Euro	Q1 FY14	%	Q1 FY15	%	Growth	Q4 FY14	%
Net Revenue	€ 60.5		€ 64.3		6%	€ 70.7	
Operating profit- EBIDTA	€ 1.8	3.0%	€ 2.1	3.3%		€ 1.6	2.3%

Americas (Latin America & USA) results highlights

In millions of Euro	Q1 FY14	%	Q1 FY15	%	Growth	Q4 FY14	%
Net Revenue	€ 39.3		€ 35.8		(9%)	€ 37.7	
Operating profit- EBIDTA	€ 1.8	4.6%	€ 2.1	5.8%		€ 1.3	3.4%
Financials in US\$ million							
Net Revenue	\$ 51.3		\$ 49.1		(4%)	\$ 51.5	
Operating profit- EBIDTA	\$ 2.4	4.6%	\$ 2.8	5.8%		\$ 1.8	3.4%

Stability in currency led to improvement in margin in LATAM. However market remained challenging in certain economies.e.g Argentina, Columbia.

Table 2.3: Balance sheet – Highlights (Sylvania standalone)

In millions of Euro	As at March 14 <i>Audited</i>	As at June 14 <i>Un-Audited</i>	Summary
Shareholders' Fund			
Share Capital	€ 141.3	€ 141.3	The standalone balance sheet provides operational performance of Sylvania business along with its subsidiaries up to Malta level.
Reserves and Surplus	€ (78.1)	€ (78.4)	
	€ 63.2	€ 62.9	
Non-current liabilities			
Long term borrowing	€ 59.5	€ 51.8	
Deferred Tax liability(net)	€ (0.6)	€ (0.6)	
Others	€ 46.9	€ 47.8	
Current Liabilities			
Short term borrowings	€ 12.8	€ 15.0	
Trade Payables	€ 95.1	€ 93.9	
Others	€ 62.6	€ 65.1	
Total	€ 339.5	€ 335.9	
Fixed Assets	€ 32.0	€ 31.4	
Other non-current assets	€ 1.1	€ 1.0	
Goodwill	€ 53.0	€ 53.0	
Current Assets			
Inventories	€ 98.6	€ 103.4	
Trade receivables	€ 106.4	€ 107.4	
Cash & Bank balance	€ 28.8	€ 19.8	
Others	€ 19.6	€ 19.9	
Total	€ 339.5	€ 335.9	

Table 2.4: Total Net Debt

In millions of Euro	31 March 2014	30 June 2014
1.Term Loan	€ 72.5 mn	€ 66.1 mn
2. Other short term	€ 12.8 mn	€ 15.0 mn
3.Capital lease obligation	€ 1.2 mn	€ 1.1 mn
Total debt	€ 86.5 mn	€ 82.2 mn
Less: Cash	€ 28.8 mn	€ 19.8 mn
Net Debt	€ 57.7 mn	€ 62.4 mn

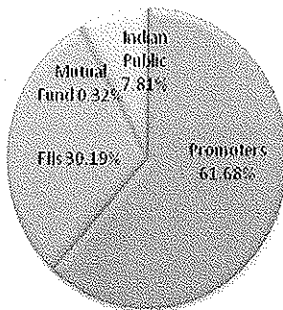
Table 2.5:Financial Ratios(Sylvania standalone)

Financial Ratios	Q1FY14	Q1FY15
Profitability		
OPM (%) (EBITDA/NR)	3.9%	4.3%
PAT % (PAT/NR)	-	-
ROCE % (EBITDA TTM/ Average CE)	-	-
RONW % (PAT TTM/ Average NW)	-	-
Liquidity Ratio		
Current Ratio (CA/CL)	1.6	1.4
Debtors days (Debtors/NR)	88	90
Inventory days (Inventories/NR)	78	87
Creditors days (TC/COGS)	129	157
Net Working Capital-days	37	20

SECTION 3. SHAREHOLDING RELATED INFORMATION

Table 3.1: Shareholding Pattern

Shareholding Pattern as on 30.6.14

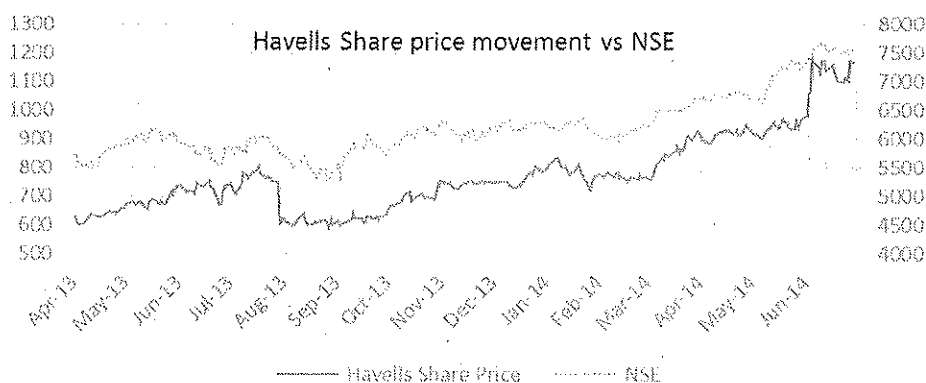


In continuation of sharing the profits with shareholders, the Company has increased its dividend payout ratio based on stand-alone profits to 46% in FY14 as compared to 30% in FY13.

The board had recommended split in the face value of shares which is subject to approval of shareholders. From current face value of Rs. 5/- (Rupees Five only) to a new face value of Re. 1/- (Rupee One only).

3.2: Stock Price Performance

The graph below depicts the Havells stock price performance vis-à-vis NSE during April 13-June 14.



DISCLOSURE OF INFORMATION, COMMUNICATION WITH INVESTORS / ANALYSTS / FINANCIAL COMMUNITY

Havells will be issuing fresh information Update, like the one you are reading now, on the day it declares its Quarterly/ Half Yearly 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. For further information / clarification, you may contact Mr. Sushil Singhal, DGM (Investor Relations) at Havells India Limited, QRG Towers, 2D Sector 126, Expressway, Noida UP (India), Tel: +91-120-4771000 Fax no.: +91-120-4772000; E-mail : ir@havells.com.

HAVELLS INDIA LIMITED

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 Corp Off.: QRG Towers, 2D, Sector - 126, Expressway, Noida - 201 304
 CIN No.: L31900DL1983PLC016304

**UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER ENDED JUNE 30, 2014**

S.No	Particulars	Period ended Ended (Consolidated) 30-June-14				Period ended Ended (Consolidated) 30-June-13				Year Ended (Consolidated) 31-March-14			
		(Rs in crores)				(Rs in crores)				(Rs in crores)			
		Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated	Havells	Sylvania	Elimination	Consolidated
1	Net Revenue	1,276.9	878.6	-26.2	2,129.3	1,051.3	788.8	17.5	1,822.6	4,719.7	3,575.1	109.0	8,185.8
2	Earning before finance cost, depreciation, tax and amortisation	161.1	37.7	2.7	201.5	141.1	30.9	-0.3	172.3	641.5	129.9	-7.7	779.1
3	Less: Depreciation	20.8	12.8	0.2	33.8	15.6	12.5	0.0	28.1	63.6	51.6	-0.3	115.5
4	Less: Finance cost	3.3	10.2	0.6	14.1	5.6	10.0	-1.5	17.1	26.9	42.1	-5.1	74.1
5	Less: Foreign Exchange Fluctuation (net)	-1.1	3.0	0.0	1.9	7.7	11.1	0.0	18.8	-8.4	45.0	0.0	36.6
6	Add: Other income	11.5	0.0	-0.2	11.3	3.2	1.6	0.3	4.5	35.7	7.5	2.0	41.2
7	Add: Exceptional item	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Profit Before Tax	149.6	11.7	1.7	163.0	115.4	-1.1	1.5	112.8	595.1	-1.3	-0.3	594.1
9	Less: Tax expenses	42.3	9.0	-0.1	51.2	20.7	5.1	0.0	25.8	116.4	31.4	0.0	147.8
10	Net Profit after tax	107.3	2.7	1.8	111.8	94.7	-6.2	1.5	87.0	478.7	-32.7	-0.3	446.3