

Havells India Limited

June 29, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based bank facilities	200.00	200.00	[ICRA]AA+(Stable); withdrawn
Non-fund-based bank facilities	384.65	384.65	[ICRA]A1+; withdrawn
Unallocated bank facilities	22.40	22.40	[ICRA]AA+(Stable); withdrawn
Total	607.05	607.05	

* Instrument details in Annexure

Rating action

ICRA has withdrawn the ratings of [ICRA]AA+ (pronounced ICRA double A plus)¹ with a Stable outlook and [ICRA]A1+ (pronounced ICRA A one plus) outstanding for the Rs. 607.05-crore² line of credit of Havells India Limited (HIL).

Rationale

The ratings assigned to the line of credit of HIL have been withdrawn at the request of the company.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Ratings](#)

About the company:

Incorporated in 1983 by Late Sh. Qimat Rai Gupta, HIL is one of the leading players in the electrical consumer goods industry in India. Mr. Gupta acquired the brand Havells from an Indian entrepreneur in 1971. While till the late 1990s, the company's focus was primarily on the industrial goods sector; over the past one and a half decades it gradually shifted its focus towards the fast-growing electrical consumer goods sector by launching various products to cater to the requirements of its target market.

HIL's operations broadly span across four major segments namely cables, switchgears, lighting and electrical consumer goods. Over the years, the company has established a strong brand portfolio and distribution network for its products. HIL is a listed company in which 59.6% stake is held by the promoters, as on March 31, 2018.

¹ For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications.

² 100 lakh = 1 crore = 10 million

Key financial indicators (Audited)

	FY 2017	FY 2018
Operating Income (Rs. crore)	6,135.3	8,138.6
PAT (Rs. crore)	539.0	712.5
OPBDIT/ OI (%)	13.4%	12.9%
RoCE (%)	23.6%	27.3%
Total Debt/ TNW (times)	0.06	0.03
Total Debt/ OPBDIT (times)	0.24	0.10
Interest coverage (times)	67.8	43.8
NWC/ OI (%)	-2%	-4%

Source: HIL's Annual Accounts, ICRA research

Note: The above indicators are based on Standalone reported financials; which for FY2018 includes Lloyd.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for last three years:

Current Rating (FY2019)						Chronology of Rating History for the past 3 years				
		Amount			Date & Rating	Date & Rating in FY2018		Date & Rating in FY2017		Date & Rating in FY2016
		(Rs crore)				Mar-18	Aug-17	Feb-17	Dec-16	
Instrument	Type	Rated	Outstanding	Jun-18	Mar-18	Aug-17	Feb-17	Dec-16	Oct-2015	
1 Fund-based bank facilities	LT	200.00	--	[ICRA]AA+ (Stable) withdrawn	No rating change		No rating change	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	
2 Non-fund-based bank facilities	ST	384.65	--	[ICRA]A1+ withdrawn	No rating change		No rating change	[ICRA]A1+	[ICRA]A1+	
3 Unallocated bank facilities	LT	22.40	--	[ICRA]AA+ (Stable) withdrawn	No rating change		No rating change	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	

LT: Long-term, ST: Short-term

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Working Capital fund-based bank facilities	NA	NA	-	200.00	[ICRA]AA+ (Stable); withdrawn
NA	Non-fund-based bank facilities	NA	NA	-	384.65	[ICRA]A1+; withdrawn
NA	Unallocated bank facilities	NA	NA	-	22.40	[ICRA]AA+ (Stable); withdrawn

Source: HIL

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