

19<sup>th</sup> February, 2017

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 under Regulation 30**

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 Company in its Board Meeting held on 18<sup>th</sup> February, 2017, has approved the purchase of **Consumer Durables Business of Lloyd Electric and Engineering Limited** on a going concern basis, subject to due diligence and other regulatory approvals.

**(A)** The relevant disclosures prescribed under Regulation 30 are presented hereunder:-

- a) Name of the target entity, details in brief such as size, turnover etc.

**Consumer Durables Business of Lloyd Electric and Engineering Limited ("LEEL"), having a turnover of Rs. 1242.28 crores for the Nine months ended 31<sup>st</sup> December 2016 (unaudited) from this business.**

**Consumer Durables Business is one of the business divisions of LEEL. Only this business division along with related Brand(s) is proposed to be acquired by the Company from LEEL and its affiliates. The transaction does not envisage an acquisition of LEEL.**

- b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"

**The transaction does not fall into a related party transaction and none of the promoter/ promoter group/ group companies have any interest in the target entity.**

- c) Industry to which the entity being acquired belongs

**Consumer Durables Industry. Please see details of the exact business below.**



**HAVELLS INDIA LTD.**

Corporate Office: QRG Towers, 2D, Sector 126, Expressway, Noida - 201304, (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

- d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)

**The transaction, once completed, is likely to provide a scaled up platform to the Company to enter into a rapidly growing and sizeable Consumer Durables industry. It will help the Company to expand its consumer products portfolio.**

- e) Brief details of any governmental or regulatory approvals required for the acquisition

**Based on the assessment so far, the transaction is subject to approval of the Competition Commission of India.**

- f) Indicative time period for completion of the acquisition

**The transaction is likely to be completed by 31<sup>st</sup> March 2017, subject to regulatory approvals.**

- g) Nature of consideration - whether cash consideration or share swap and details of the same

**Cash Consideration.**

**The enterprise value of the Consumer Durables Business including for the proprietary rights to the trade mark "Lloyd" is INR 1,600,00,00,000/- (Indian Rupees One Thousand Six Hundred Crore Only) on a debt free, cash free basis, subject to the closing adjustments.**

- h) Cost of acquisition or the price at which the shares are acquired

**Not applicable.**

- i) Percentage of shareholding / control acquired and / or number of shares acquired

**Not applicable.**

- j) Brief background about the entity acquired in terms of products/ line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)

**The Consumer Durables Business to be acquired by the Company includes the business of importing, trading, marketing, exporting, distribution, sale of air conditioners, televisions, washing machines and other household appliances and assembling of televisions, under the brand "Lloyd" and/ or LLOYD formative marks, including logos, slogans etc. and all of the assets, rights, title, interest and assets, licenses, including but not limited to warehouses, depots, regional offices, IT systems, exclusive and perpetual Intellectual Property rights in the business (including but not limited to the brand, logo, trade mark "Lloyd" and other Intellectual Property related to the business).**



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LEEL is a company incorporated under the laws of India and having its registered office at A-146 (B&C), RIICO Industrial Area, Bhiwadi, Alwar, Rajasthan - 301019 with its corporate office at 159, Okhla Industrial Estate, Phase III, New Delhi-110020.

The turnover of the Consumer Durables Business division of LEEL for last three years is as follows:-

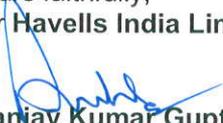
FY 2014-15 (Audited)	Rs. 870.65 crores
FY 2015-16 (Audited)	Rs. 1384.22 crores
For the period ended 31 <sup>st</sup> December, 2016 (9 months) (unaudited)	Rs. 1242.28 crores

- (B) Pursuant to the Company's Code of Conduct framed in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('the Code'), **Trading Window** for dealing in shares of the Company, for persons specified under the Code, shall remain closed from issuance of this letter till the close of 21<sup>st</sup> February, 2017, Tuesday.
- (C) In addition to the prescribed Disclosures conveyed through this letter, a **detailed Press Release** is also enclosed herewith.

The above is for your information and records.

Thanking you.

Yours faithfully,  
For **Havells India Limited**

  
(Sanjay Kumar Gupta)  
Company Secretary

Encl: As above

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## Havells Delves “Deeper into Homes”; Proposes to Acquire Lloyd Consumer Durable Business

- One of the largest acquisitions in Indian consumer durable space with an enterprise value of Rs 1600 crores

**New Delhi, February 19, 2017:** Havells India Limited, India’s leading FMEG Company today announced that its board has approved the acquisition of Lloyd Consumer Durable Business Division (Lloyd Consumer). This acquisition, when completed, will mark Havells’ foray into Consumer durables industry. The acquisition is proposed to be executed at an enterprise value of Rs 1600 crores on a debt free, cash free basis subject to closing adjustments.

The company has signed an agreement with Lloyd Electrical and Engineering Limited and Fedders Lloyd Corporation Limited for acquiring Lloyd brand and the consumer durable business that is engaged in sourcing, assembling, marketing and distribution of consumer durables including air-conditioners, TVs, washing machines and other household appliances. The proforma revenues of consumer durable arm, Lloyd Consumer for 9 months ended 31 December, 2016 stood at Rs 1242 crores and EBDITA of Rs 75 crores. Based on its run rate and past performance, full year revenue is estimated at circa Rs 1850 crores with proforma EBDITA of Rs 110 crores.

Havells will acquire the consumer business infrastructure, people, distribution network including and not limited to absolute, exclusive ownership and right to all intellectual property of Brand Lloyd, logo, trademark, goodwill and attendant rights.

The transaction is subject to confirmatory due diligence and is expected to close in next 8 weeks. The company plans to finance the transaction through a mix of debt and internal accruals.

Through this acquisition, Havells would mark a foray into Consumer durables industry currently estimated at \$15 billion and growing in double digits with low penetration levels, increasing urbanization, aspirational and expanding middle class. Lloyd has, over the last decade, built a brand, distribution and service network to provide a comprehensive experience to its consumers. It is among the top 3 brands in air-conditioners’ category with a well-entrenched national network in Tier I and II cities. The brand has expanded into TVs and Washing machines as well.

Speaking on the occasion, **Mr. Anil Rai Gupta, Chairman & Managing Director, Havells India Limited said**, “The proposed acquisition is in line with Havells objective of “Deeper into Homes”, driving domestic expansion and owning a brand and distribution oriented asset. We would leverage and extend the trust associated with Brand Havells to consumers, dealers, vendors of Lloyd and create a similar recognition in consumer durables segment. We believe Lloyd is undergoing a journey similar to Havells of the past and we could combine together our consumer insights to accelerate its pace of growth.”

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He further added, “We would be firmly focused to fulfill Indian consumer’s aspirations through a superior delivery of product ownership, technology, availability and servicing. This acquisition has, thus, given us an opportunity to serve our discerning consumers with a much wider range of products, both in electrical and electronic goods space.”

Standard Chartered Bank was the financial advisor and AZB & Partners were the legal advisors to the transaction. EY represented sellers as their financial advisor.

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