

Havells posts Rs 63-cr profit on good demand

Our Bureau

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On the back of strong domestic demand, Havells India Ltd on Friday announced a Rs 63-crore net profit for the quarter ended December 31, 2010. In the corresponding quarter last year the company had reported a loss of Rs 173 crore due to one time restructuring expenses.

The company's net sales increased by 8 per cent to Rs 1,497 crore during the quarter (Rs 1,400 crore).

The numbers are the consolidated figures and include the performances of Havells India (the parent company) and its two subsidiaries (Standard Electrical and Havells Sylvania).

The company's European subsidiary Havells Sylvania, continued to sustain its growth momentum during the quarter under review. Net sales of the subsidiary increased by 9 per cent over the corresponding period last year.

On a standalone basis, net sales of Havells India increased by 23 per cent to Rs 722 crore for the quarter under review, driven by 27 per cent growth in domestic business. The company's exports



were down due to closure of OEM contract with UK based company. Net profit for the quarter increased by 4 per cent to Rs 61.1 crore from Rs 58.9 crore in the year ago period.

Commenting on the performance, Mr Anil Gupta, Joint Managing Director, Havells India, said: "We have consolidated our operations both in the domestic and international markets. The continued strong performance of Havells-Sylvania is a proof of robust system now in place. Our presence in key markets of growth, especially India and Latin America, coupled with our product profile and brand, ensured our growth during the quarter, despite falling Euro. Going forward, we would continue to cement our value proposition across markets."

The company's scrip on the BSE closed at Rs 349.50 down by 1.40 per cent over the previous day's close.