

# Havells in JV with China's Yaming, to invest ₹530 cr

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Havells India, the electrical and power distribution equipment company, today announced a joint venture with China's Shanghai Yaming Lighting Co to set up a manufacturing unit in China with an investment of ₹527 crore (\$100 million) in the next three years.

The unit, under a 50-50 joint venture named Jiangsu Havells Sylvania Lighting Co, would come up in Jiangsu province and make products like such as HID lamps, LEDs, CFLs and lighting fixtures. It would also provide products for Global Sylvania, which Havells acquired in 2007, and

local China markets. The focus would also be on launching energy-efficient and 'green' lighting solutions, the company said.

"The initial investment would be ₹263 crore (\$50 million), which after three years will go up to ₹527 crore (\$100 mn)," said Havells' joint managing director, Anil Gupta. The unit would start initial commercial production in April 2012 and be fully functional by November, he said.

The plans is to export the products to Europe and Latin America, where products are being sold under the Sylvania brand, apart from making for the Chinese market, Gupta said. The company expects

the JV to clock revenue of ₹158 crore (\$30 mn) in the first year and ₹527 (\$100 mn) in the next three years. "Though we had presence in China in research and development, we wanted to set up a manufacturing base there," Gupta said.

In India, the company has eight facilities, in Rajasthan, Uttarakhand, Uttar Pradesh, Himachal Pradesh and Haryana. Through its Sylvania subsidiary, it manages a global lighting business across 40 countries, with global brands such as Sylvania, Concord, and Luminance. The company is also expanding Sylvania's reach to West Asia and Africa.