

**EVEREADY** 

**INDUSTRIES INDIA LTD.**

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February 05, 2018

BSE Limited  
P.J. Towers,  
Dalal Street, Fort  
Mumbai - 400 001

The National Stock Exchange  
of India Ltd  
Exchange Plaza, C-1,  
Block – G,  
Bandra Kurla Complex  
Bandra (East)  
Mumbai - 400 051

The Calcutta Stock Exchange  
Limited  
7, Lyons Range  
Kolkata - 700 001

Dear Sirs,

We are enclosing herewith an Information Update released today by the Company.

The above is for your information and records.

Thanking you,

Enco : As Above.

Very truly yours,  
**EVEREADY INDUSTRIES INDIA LTD.**



**(T. PUNWANI)**

**VICE PRESIDENT – LEGAL  
& COMPANY SECRETARY**

**INFORMATION UPDATE**

Eveready Industries India Ltd. (Eveready) today declared its financial results for the quarter ended December 31, 2017. Highlights of the standalone results are the following.

Item	Q3 2017-18	Q3 2016-17	Gain %	YTD 17-18	YTD 16-17	Gain%	FY 16-17
Operating Income (Rs cr)*	369.57	329.46	12	1106.60	1050.57	5	1355.18
Gross Margin (Rs cr)	144.48	124.51	16	432.04	401.47	8	512.37
Margin (%)	39.1%	37.8%		39.0%	38.2%		37.8%
Operating EBIDTA (Rs cr)	34.20	35.30	(3)	109.24	115.64	(6)	133.30
EBIDTA (%)	9.3%	10.7%		9.9%	11.0%		9.8%
PBT	26.73	28.55	(6)	92.75	93.77	(1)	104.71
Net Profit	20.94	35.19	(40)	70.86	83.17	(15)	93.63

\* Adjusted for Excise Duty for periods earlier than July 1, 2017 to facilitate comparability

**Operational Highlights**

- Turnover for the quarter grew by 12% riding on a robust growth of 33% in the Lighting Products segment and contribution from the recently launched Appliances segment, despite a flat performance in the battery segment.
- Operating EBIDTA was marginally lower at Rs 34.20 crores against Rs 35.30 crores in the corresponding quarter of last year, primarily on account of increase in certain costs as a planned measure in the newer business categories, with an eye to sustained future growth. These were in the nature of marketing spends to capture the festive season during the quarter and distribution costs as the network is being set.
- Operating EBIDTA margin for the quarter was at 9.3%. Despite improvement in gross margin by 1.3%, EBIDTA margin was lower due to cost factors necessitated to upscale new and growing categories of Appliances and LED based lighting, as mentioned above. More specifically, Advertising & Promotional spend was at 5.1% of turnover against 2.8% of turnover in the same period last year. This level of spend is not likely to be repeated in the following quarter – hence margins should revert to higher levels. Cost increase also came on manpower costs from the Appliances segment, which is on a building up phase.
- Battery turnover was flat as GST rates on the segment got reduced from 28% to 18% from mid November, though such reduction should provide impetus for volume growth in future quarters. Prices of battery input materials continued to be firm during the quarter – and was significantly higher as compared to the same period in previous year, resulting in margin erosion of about 2% - though partially offset by favourable impact from the Rupee exchange rate. There was also an adverse impact on battery margins on account of withdrawal of fiscal benefits at the Hardwar unit which was partially off-set at the new greenfield unit at Assam, which started accruing CGST benefit from the current quarter post issuance of requisite notification by the Govt.
- Flashlight volumes grew by 7%, but the turnover in the segment was flat due to the adverse impact of GST rates having gone up considerably as compared to the consolidated rate of the earlier regime. However, the GST rate has now been reduced from 28% to 18% and this should have salutary effect on both volume & turnover in the forthcoming quarters.
- The quarter's turnover in the Lighting segment grew by a healthy 33% to Rs. 98.8 crores. Actually, turnover of LED products sold through trade channels had a robust growth of 93% (Rs 80.5 crores in the current quarter as against Rs 41.8 crores in the corresponding quarter of the previous year) – which was to some extent muted by low sales of CFL products, as per prevailing market trends (Rs 0.8 crores in the current quarter as against Rs 13.0 crores in the corresponding quarter of the previous year) and because the previous year's quarter included sales made to Energy Efficiency Services Ltd (EESL) of Rs. 4.9 crores (Rs 1.6 crores in the current quarter).



