

19th June, 2020

**Q4 Consumer Products (CP) Operating EBIT up by 37.4%,
CP Operating margins at 6.8%**

Bajaj Electricals Ltd has declared its results for the fourth quarter and year ended 31st March, 2020.

For the fourth quarter of 2019-20, the Company has achieved Sales/income from operations of Rs.1,301 Cr. as against Rs. 1,755 Cr., a decrease of 26.7% over the fourth quarter of the previous year. For the quarter, the company has made loss before tax and loss after tax of Rs. 2 Cr. and Rs. 1 Cr. respectively as against profit before tax and profit after tax of Rs. 32 Cr. and Rs. 23 Cr., in the corresponding quarter of the previous year.

For the quarter, Consumer Products segment of the Company has earned total revenue of Rs. 747 Cr. as against Rs. 743 Cr., a growth of 0.5% over the corresponding previous quarter. EPC segment has achieved a total revenue of Rs. 554 Cr. as against Rs. 1032 Cr., registering a de-growth of 46.3% over the corresponding quarter of the previous year. CP Operating EBIT registered a growth of 37.4% over the corresponding previous quarter. Margins are at 6.8%.

For the year ended 31st March, 2020, the Company has achieved Sales/income from operations of Rs. 4,987 Cr. as against Rs. 6,679 Cr., a decrease of 25.3% over the corresponding period of the previous year. For the year, the company has made profit before tax and loss after tax of Rs. 7 Cr. and Rs. 10 Cr. respectively, as against profit before tax and profit after tax of Rs. 241 Cr. and Rs. 154 Cr., in the corresponding period of the previous year.

For the year, Consumer Products segment of the Company has earned total revenue of Rs. 3,095 Cr. as against Rs. 2,747 Cr., a growth of 12.7% over the previous year. EPC segment has achieved a total revenue of Rs. 1,892 Cr. as against Rs. 3,932 Cr., registering a de-growth of 51.9% over the previous year.

For the year, the Company generated positive Cashflow from Operations of Rs 626 Cr. as against a cash outflow from operations of Rs 621 Cr. in the previous year. Further, in the quarter ended March, 2020, the Company had raised Rs. 350 Cr. through rights issue, the proceeds of which were used primarily for repayment of debts. This has helped turnaround the balance sheet with reduced debt and

improved Debt to Equity ratio from 1.5 (as on 31st March, 2019) to 0.7 (as on 31st March, 2020).

The outbreak of COVID-19 globally and in India has caused significant disturbances and slow-down of economic activity. The Company's operations have also been impacted in the months of March 2020, April 2020 and May 2020 due to temporary suspension of manufacturing facilities, sales and distribution and execution of EPC contracts following nationwide lockdown announced by the Government of India in view of COVID-19. However, post the permission for operations of certain activities by the Government of India in non-containment zones, the Company has resumed operations at its manufacturing units at Chakan and Ranjangaon, branches, and at all warehouses across the country. Most of the Company's EPC sites are also operational now. Further, the Company has adequate financial cushion to take care of requirement of funds.

Mr. Shekhar Bajaj, Chairman and Managing Director of Bajaj Electricals Limited, said "We have been pursuing our stated path of a strong focus on positive cashflow from operations, reducing our debt and strengthening our balance sheet. I'm glad to note that we have done well on all of these parameters and remain committed to it. We continue to drive growth in our Consumer Products segment while adopting a more risk-calibrated approach for the EPC segment with a focus on completion of existing projects on hand. Despite the impact of COVID-19, our Consumer Products segment has maintained its revenues and delivered an EBIT growth of 37.4% in the current quarter, while the EPC segment revenue has registered a planned de-growth due to selective bidding for fresh contracts. In the near term this will continue to impact profitability, but we remain confident about a healthy bounce back as our strategic shift plays out."

The order book as on 1st April, 2020 stands at Rs. 1,730 Cr., comprising of Rs. 705 Cr. for Transmission Line Towers, Rs. 828 Cr. for Power Distribution, and Rs. 197 Cr. for Illumination Projects.