

09th February 2017

Margins of Consumer Products improved by 1.3%,

Q3 - Sales/Income from operations Rs. 1055.09 Cr

Nine Months - Sales/Income from operations Rs. 3020.20 Cr

Bajaj Electricals Ltd has declared its results for the third quarter & nine months period ended 31st December 2016.

During the third quarter, the Company has achieved sales/income from operations of Rs.1055.09 Cr as against Rs.1135.17 Cr during the third quarter of the previous year, a decrease of 7.1%. Profit before tax and Profit after tax for the quarter has been Rs. 45.16 Cr and Rs.29.71 Cr. respectively, as against Rs. 57.20 Cr and Rs.36.00 Cr in the corresponding quarter of the previous year.

During the nine months ended 31st December, 2016, the company has achieved sales/income from operations of Rs.3020.20 Cr as against Rs. 3262.72 Cr, a decrease of 7.4% over the corresponding period of the previous year. Profit before tax and Profit after tax has been Rs. 107.72 Cr and Rs.69.24 Cr. respectively, as against Rs. 122.71 Cr and Rs. 75.10 Cr in the corresponding period of the previous year

During the quarter, Consumer Products Segment of the Company has achieved total Revenue of Rs.589.54 Cr, de-growth of 14.6%. Engineering and Projects Segment (EPC), on the other hand, has registered growth of 4.6% with a Total Revenue of Rs. 465.40 Cr as against Rs. 444.88 Cr in the corresponding quarter of the previous quarter.

During the nine months ended 31st December, 2016, Consumer Products Segment of the Company has achieved total Revenue of Rs. 1703.45 Cr, with a de-growth of 9.5% and Engineering and Projects Segment, has registered de-growth of 4.6% with a total Revenue of Rs. 1316.12 Cr as against Rs. 1379.84 Cr in the corresponding period of the previous year.

Mr. Shekhar Bajaj, Chairman and Managing Director, Bajaj Electricals Limited, said “Consumer Products Segment registered a good performance during the quarter, mainly due to effective procurement, better sales realisation, and sales growth in certain product categories, as a result of which the margins have improved by 1.3% from Rs. 34.91 Cr to Rs. 37.74 Cr , despite de-growth in sales by 14.5% mainly on account of fall in demand for CFL and demonetisation effect.

On the positive side, the rollout of RREP (Range, Reach Expansion Programme) has been progressing well and the liquidity issues have also been addressed by the government, which would have positive impact on the overall performance of the Company in the coming period.

“The performance of EPC segment, for the quarter has been impacted largely due to accounting adjustment as per Ind AS for retention money receivable, as a result of which the operating margin shows decrease of 5.3%. However, it is heartening to note that the execution of the projects is as per schedule and there is a good inflow of new orders. Current Order Book stands at Rs.3807 Cr, consisting of Rs. 836 Cr for Transmission Line Towers; Rs. 2782 Cr for Power Distribution; and Rs. 189 Cr for Illumination Projects.