

Bajaj Electricals eyeing cos with strong MF base

PBD BUREAU/PTI

MUMBAI, MAY 26

BAJAJ Electricals (BEL) is eyeing acquisitions in its core segment of household appliances besides a 25 per cent top-line growth this fiscal, a top company official said.

"We are interested in acquiring brands or companies, which have a strong manufacturing base that we can supplement with our very strong distribution network. We are interested in acquisitions in the home appliances, fans and lighting, space where we are a leading player," BEL's chairman and managing director Shekhar



Bajaj told PTI here today.

The Shekhar Bajaj-led company would, however, go in for an acquisition only if it is provided synergistic benefits, he said.

"Bajaj Electricals has a very strong distribution network and we have expertise in managing multi-brands," he said.

Finding resources to fund an acquisition would pose no problem, he said, adding that the company had recently raised Rs 160 crore

through a QIP, a part of which could be used for acquisitions.

The company expects to grow 25 per cent this fiscal, though margins could be under pressure in Q1 FY'11 on account of increase in commodity prices.

"We expect a 25 per cent growth in our top-line this fiscal," Bajaj said, pointing out that pressure on margins, which began in Q4 FY'10 could continue into Q1 FY'11 as well.

"Margins were under pressure in Q4 FY'10 and this could continue in Q1 FY'11 as well, with prices of copper, oil, steel and zinc having risen," Bajaj said.