

5th November, 2020

Bajaj Electricals Posts Strong Q2 Results

Consumer Products (CP) Revenues up 12.9%, CP EBIT up by 159%

Profit Before Tax improves by Rs. 102 Cr.

Bajaj Electricals Ltd has declared its results for the six months and quarter ended 30th September, 2020.

For the second quarter of 2020-21, the Company has achieved Sales/income from operations of Rs. 1,218 Cr. as against Rs. 1,096 Cr., an increase of 11.1% over the second quarter of the previous year. For the quarter, the company has made profit before tax and profit after tax of Rs. 73 Cr. and Rs. 53 Cr. respectively as against loss before tax and loss after tax of Rs. 29 Cr. and Rs. 33 Cr., in the corresponding second quarter of the previous year.

For the quarter, Consumer Products (CP) segment of the Company has earned total revenue of Rs. 792 Cr. as against Rs. 702 Cr., a growth of 12.9% over the corresponding quarter of the previous year. CP recorded an EBIT of Rs. 85 Cr. as against Rs. 33 Cr., a growth of 159% over the corresponding second quarter of the previous year. CP Operating Margins are at 10.7%. EPC segment has achieved a total revenue of Rs. 425 Cr. as against Rs. 394 Cr., registering a growth of 8% over the corresponding quarter of the previous year. EPC recorded a positive EBIT of Rs. 7 Cr. as against negative EBIT of Rs. 18 Cr. over the corresponding second quarter of the previous year.

For the half year ended 30th September, 2020, the Company has achieved Sales/income from operations of Rs. 1,826 Cr. as against Rs. 2,403 Cr., a decrease of 24% over the corresponding half year of the previous year. For the half year, the company has made profit before tax and profit after tax of Rs. 41 Cr. and Rs. 37 Cr. respectively, as against loss before tax and loss after tax of Rs. 6 Cr. and Rs. 19 Cr., in the corresponding half year of the previous year.

For the half year, Consumer Products segment of the Company has earned total revenue of Rs. 1,187 Cr. as against Rs. 1,488 Cr., a de-growth of 20.2% over the corresponding half year of the previous year. CP recorded an EBIT of Rs. 93 Cr. as against Rs. 84 Cr., a growth of 11.1% over the corresponding half year of the previous year. CP Operating Margins are at 7.8%. EPC segment has achieved a total revenue of Rs. 639 Cr. as against Rs. 915 Cr., registering a de-growth of 30.2% over the corresponding half year of previous year.

For the half year ended FY21, the Company generated positive Cashflow from Operations of Rs. 467 Cr. as against Rs. 294 Cr. in the corresponding half year of the previous year. Debt has reduced from Rs. 962 Cr. as at 31st March, 2020 to Rs. 559 Cr. as at 30th September, 2020.

The outbreak of COVID-19 globally and in India has caused significant disturbances and slow-down of economic activity. The Company's operations were also impacted in Q1 due to temporary suspension of manufacturing facilities, sales and distribution and execution of EPC contracts. However, the Company has resumed operations at all its manufacturing units, branches and warehouses across the country. Most of the Company's EPC sites are also operational now. The business has normalised in this quarter which has resulted in positive EBIT for CP and EPC Segment.

Mr. Shekhar Bajaj, Chairman and Managing Director of Bajaj Electricals Limited, said "I am very pleased with our extremely strong performance this quarter. The Consumer Products business has shown signs of very strong recovery in this quarter and delivered our highest ever quarterly EBIT of Rs. 85 Cr. Our EPC segment has also recovered strongly in this quarter after being adversely affected due to hold up of project execution and billings. Further, we have maintained our strong focus on cashflows from operations in this quarter too, generating a healthy Rs. 322 Cr., thereby further reducing our debt significantly. Our excellent performance in this quarter is testimony to the resilience demonstrated by our team in dealing with the external environment."

The order book as on 1st October 2020 stands at Rs. 1,474 Cr., comprising of Rs. 482 Cr. for Transmission Line Towers, Rs. 602 Cr. for Power Distribution, and Rs. 390 Cr. for Illumination Projects.