

November 12, 2021

To,

BSE Limited

: Code No. 500031

Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai 400 001

National Stock Exchange of India Limited

: BAJELEC - Series: EQ

Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

BAJ22 -Series C NCDs INE193E08012

Dear Sir/Madam,

Sub.: Presentation on the Financial Results of Bajaj Electricals Limited ("the Company") for the half year ended September 30, 2021

The presentation on the Financial Results of the Company for the half year ended September 30, 2021, is enclosed.

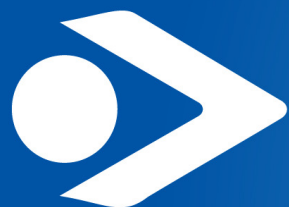
We request you to take it on records.

Thanking you,

Yours Faithfully,
For Bajaj Electricals Limited

Ajay Nagle
EVP and Head – Legal & Company Secretary

Encl. as above



BAJAJ
Bajaj Electricals Ltd.
Inspiring Trust

Investor Presentation : Q2 FY'22

12th November, 2021



Disclaimer



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Covid-19 Update



1. 85% of on-roll employees are fully vaccinated
2. Currently no active Covid case among employees
3. All offices have resumed & are operational
4. Head office working at c.40%, following Covid protocols
5. Adopting a hybrid model
6. Sales, Operations, Manufacturing and Logistics operations continue to function smoothly

Performance Overview



CP Performance (31% YoY Growth and 22% 2-Year CAGR)

- Industry leading growth in core Electrical Consumer Durables (ECD) Portfolio
- Synchronised Growth across categories (Appliances – 41% , Fans – 13% , Lighting – 20% & MR – 35%)
- Operating Margin at 10% (vs. 10.7% in Q2 FY21)



Channel Leverage & Market Share (MS) Gains

- Balanced Portfolio b/w Trade and Alternate (64 : 36)*
- Meteoric Growth in Sunrise Channels : E-Com (74%) & MFR (64%) YoY
- MS Gains in all core categories : Fans, Appliances & Lighting



Cash Conversion & Balance Sheet (BS) Strength

- Positive Cash Flow from Operations (CFO) of 476 Crores, making it 10th consecutive quarter of positive CFO
- Healthy BS with Net Debt: Equity ratio at 0.15 and Net Debt lowered by 419 crores QoQ



EPC : Calibrated Approach

- Overall revenue de-growth mainly due to focus on project execution and selective new orders in-take
- Consolidation of leadership in Illumination segment (25% YoY growth)
- Carry Forward Order Book of INR 758 Crores (Illumination – 236 , PT - 445 , PD - 77 Crores)

*Based on Gross sales | | MR – Morphy Richards, MFR – Modern Format Retail, PT – Power Transmission, PD – Power Distribution

Financial Overview

- Profit & Loss Statement
- Segment Details
- Operational Highlights
- Cash Flow Summary
- Debt Position

Profit & Loss (P&L) Statement

(All fig. in INR Crores)



Commentary

Particulars	Q2 FY'22	Q2 FY'21	YoY Gr (%)	Q1 FY'22
Net Sales	1,302	1,218	6.9%	857
Less : COGS	918	859	6.8%	568
Gross Margin	384	359	7.1%	288
Staff Cost	104	98	6.9%	106
Other Expenses	186	157	18.7%	182
Less : Dep. & Amortization	17	19	(11.6)%	17
Add : Other Income	21	9	135.6%	9
EBIT	99	95	4.2%	(8)
As % of Net Sales	7.6%	7.8%		(1.0)%
Less : Finance Cost	19	22	(11.4)%	23
PBT	79	73	8.9%	(31)
Less : Taxes	17	20	(15.1)%	(6)
PAT	63	53	17.8%	(25)
As % of Net Sales	4.8%	4.4%		(2.9)%

Staff Cost :

- One-time impact of INR 3 crores due to CRS at factory

Other Expenses :

- Incremental publicity spends of INR 7 crores

Other Income :

- INR 4 Crores on a/c of sale of P,P&E
- INR 3 Crores interest on IT refund

Finance Cost :

- INR 3.9 Crores attributable to Starlite (one-time pre-closure of NCDs & lease of machineries)

CRS : Compulsory Retirement Scheme, P,P&E : Property, Plant & Equipment, NCD : Non-Convertible Debentures

Segment Details



Segment Revenue

Particulars	Q2 FY'22 (in Crores)	Q2 FY'21 (in Crores)	YoY Gr (in %)	Q1 FY'22 (in Crores)
Consumer Products	1,035	792	30.7%	617
EPC	267	425	(37.3)%	240
Total Op. Income	1,302	1,217	6.9%	857

Segment Results

Particulars	Q2 FY'22		Q2 FY'21		Q1 FY'22	
	EBIT (Cr)	EBIT(%)	EBIT (Cr)	EBIT(%)	EBIT (Cr)	EBIT(%)
Consumer Products	103	10.0%	85	10.7%	6	1.0%
EPC	(14)	(5.1)%	7	1.5%	(13)	(5.6)%
Total*	99	7.6%	95	7.8%	(8)	(1.0)%

Commentary

CP Segment :

- 2nd highest quarterly sales achieved, surpassed INR 1,000 Crores mark
- Operating margins grew by 22% & restored to double digit despite rise in input costs (and dip in Gross Margins)
- Further momentum in Cost savings via "MULYA" & "SAMRIDDHI" initiatives
- EBIT factors in impact of additional allocation (INR 7 Crores) of Overheads to CP Segment

EPC Segment :

- Illumination BU clocked >INR 150 Crores sales, healthy 25% YoY growth with positive EBIT

*includes other unallocable income

Operational Highlights



Category Growth

Particulars	Q2 FY'22 (in Crs)	Q2 FY'21 (in Crs)	YoY Gr (in %)	Q1 FY'22 (in Crs)
Appliances	603	428	41.0%	290
Fans	220	195	12.5%	229
Lighting	131	109	20.2%	65
Morphy Richards	81	60	35.0%	34

Receivables Movement

Particulars	Sep'21 (in Crs)	Jun'21 (in Crs)	Mar'21 (in %)	Mar'20 (in Crs)
Consumer Products	539	390	492	563
Power Distribution	674	778	972	1,388
Power Transmission	231	249	255	445
Illumination	212	207	198	140
Total	1,657	1,624	1,917	2,537

Commentary

Appliances :

- Highest YoY growth among national players (>40%)

Lighting :

- Growth majorly driven by new launches

Morphy Richards :

- Growth fuelled by distribution expansion & revitalised positioning

Receivables :

- Continued reduction in Power Distribution outstandings

Cash Flow Summary

(All fig. in INR Crores)



Commentary

WC Release :

- To the tune of INR 300 Crores due to Vendor financing in Q2

Repayment of Borrowings:

- Overall Gross Debt & Net Debt reduced by INR 452 and 419 Crores respectively during Q2

Investment in Subsidiaries :

- Acquisition of Nirlep 20% stake for INR 10 Crores

Interest paid :

- Includes accrued interest paid for NCD tranche repayment

Particulars	Q2 FY'22	Q2 FY'21	H1 FY'22	H1 FY'21
Profit Before Exceptional Items and Tax	79	101	48	41
Adjustments for :				
• Non-Cash items	27	10	92	53
• Increase / Decrease in WC	380	208	397	378
• Taxes Paid	(10)	3	(22)	(4)
Net Cash from Operating Activities (A)	476	322	515	467
Investment in Group Entities	(10)	0	(25)	0
Capital Expenditure (net of sale proceeds)	(4)	(9)	(13)	(13)
Miscellaneous Items	9	(24)	3	(47)
Net Cash (used in) /from investing activities (B)	(5)	(33)	(35)	(60)
Proceeds from issues of shares (net of issue expenses)	5	2	9	3
Proceeds/ (Repayment) of Borrowings	(452)	(251)	(404)	(431)
Payment of Lease Liabilities	(4)	(7)	(10)	(13)
Interest Paid	(54)	(23)	(76)	(45)
Net Cash (used in) /from financing activities (C)	(505)	(278)	(482)	(486)
Net increase / (decrease) in Cash & Bank balances	(34)	10	(2)	(79)
Opening Balance of Cash/Bank Balances	78	12	46	102
Closing Balance of Cash/Bank Balances	44	22	44	22

WC : Working Capital, NCD : Non-Convertible Debentures

Debt Position



(All fig. in INR Crores)

Particulars	As on Sep'21	As on Jun'21	As on Sep'20
Gross Debt	281	733*	559
Less: Cash & Cash Equivalent	44	78	22
Net Debt	237	656	537
Networth	1,606	1,536	1,424
Net Debt / Equity (x)	0.15	0.43	0.38
Interest Coverage (x)	5.1	-	4.3

Note : Interest coverage = EBIT/ Finance Cost

*includes INR 215 Crores of debt taken over on acquisition of Starlite Lighting Limited in Q1 FY'22

Business Highlights

- New Launches (Consumer Products, Illumination)
- Brand Campaigns (Consumer Products)
- Marquee Project (Illumination)
- Project Update (Power Transmission, Distribution)
- Awards & Recognitions

New Product Launches (Consumer Products)



Compagno Water Heater

Titanium Armor & Swirl flow technology



Ivora Insect Shield Lamp

Spectrum based lighting for effective shield against mosquitoes & house flies



Gas Stove

Frameless Glass Top range



Splendora

Anti Stain Mixer



Herculo

1000 Watt Mixer with ball bearing Motor



Glide

High Speed Decorative Fan

53*
Launches

*67 during half-year

Brand Campaigns (Consumer Products)



Fans



Air Coolers



Mixer Grinder



LED



New Product Launches (Illumination)



Sunsoko
All-In-One Solar Street Light



Skylux Surface
Optimal illumination of
Workstation

94*
Launches



Linear Highbay
for illuminating large
spaces uniformly



Ameris
commercial luminaire
(Suspended, Recessed and Surface
mounted)

* 158 during half-year

Marquee Project (Architectural Lighting)



**SIDHWAN Canal, Ludhiana
Flyover Beautification**

Project Update



Power Transmission

- Around 988 ckms commissioned till Q2 FY'22
- Orders worth INR 123 crores secured in H1 FY'22

Power Distribution

- Operational closure of 4 projects completed
 - a) In West Bengal – 2 projects: Bankura & Jalpaiguri
 - b) In Bihar – 2 projects: East Champaran & Darbhanga DDUGJY

220 KV Substation, MPPTCL



Kaddaperi Monopole Line

Awards & Recognitions

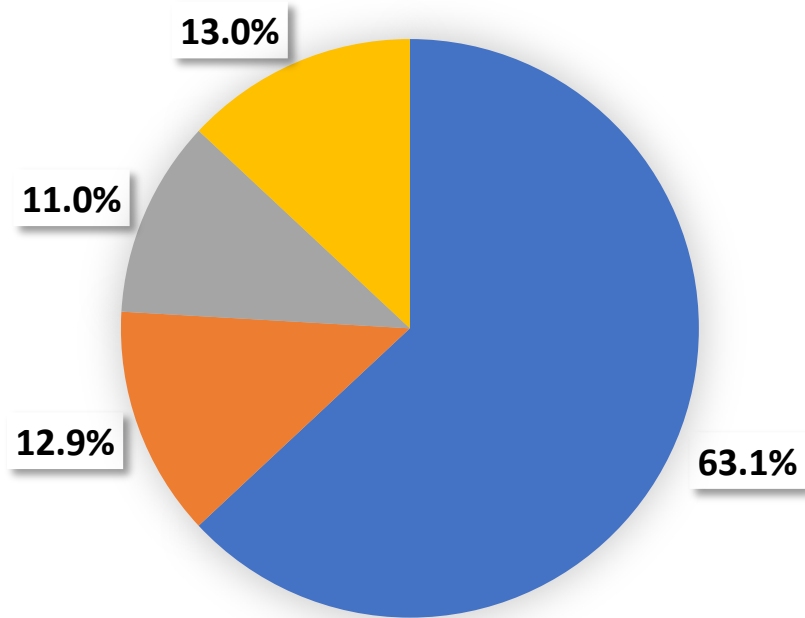


Thank You

Shareholding Information



Pattern as on 30th September, 2021



■ Promoter & Promoter Group	■ Foreign Institutional Investors
■ Domestic Investors	■ Others/ Retail Investors

For IR related queries

Write to us at

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