

May 17, 2022

To,

**BSE Limited**

: Scrip Code- 500031

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

**National Stock Exchange of India Limited**

: BAJAJELEC - Series: EQ

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

Dear Sir/Madam,

**Sub.: Presentation on the Financial Results of Bajaj Electricals Limited (“the Company”) for the fourth quarter and year ended March 31, 2022**

The presentation on the Financial Results of the Company for the fourth quarter and year ended March 31, 2022, is enclosed.

We request you to take it on records.

Thanking you,

Yours Faithfully,

For Bajaj Electricals Limited

Ajay Nagle

Head of Department- Legal (and Company Secretary)

Encl.: As above.



**BAJAJ**  
Bajaj Electricals Ltd.  
*Inspiring Trust*

## Investor Presentation : Q4 FY'22

17<sup>th</sup> May, 2022



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Note : All financials depicted in this presentation are based on Consolidated Financial Results

# Executive Summary : FY'22



1. **Consolidated Revenue** grew 5% on YoY basis in FY'22
  - a. During the year, Consumer Products Segment grew by 14% on YoY basis led by –
    - Strong double-digit growth in Fans, Appliances and Lighting
    - Synchronised growth across channels of Trade, MT, E-Com and Institutions
  - b. During the year, Illumination BU grew by 16% on YoY basis amidst industry de-growth
2. Milestone achievement of **Net-Debt free status** as on end FY'22
3. Strong **CFO generation** in excess of INR 900 Crores for FY'22 (approx. INR 2,200 Crores of CFO in last 3 years)
4. **Dividend proposed** at INR 3 per equity share of INR 2 each (last payment in FY'19)
5. **Corporate restructuring and Consolidation**
  - a. Demerger of Power Transmission & Distribution BU into “Bajel Projects Ltd”
  - b. Acquisition of SLL & Nirlep – for simplified structure and integrated functioning
6. Impetus to **ESG drive** with defined purpose, identified pillars and strategic focus



## CP Performance (6.4% YoY growth ; 18% 2-Year CAGR)

- Surpassed INR 1,000 crores mark (consecutively for last 3 quarters)
- Operating Margin at 6.2%, dilution of 250 bps mainly on a/c of commodity headwinds & unfavourable mix
- Surpassed milestone of INR 1,000 crores annual sales for fans



## Channel Highlights

- Balanced Portfolio b/w Trade and Alternate (69 : 31)\*
- Robust growth in Institution Channel (22% YoY) & Exports (26% YoY), albeit on small base
- Sunrise channels E-Com & MT grew >20% YoY (full year basis)



## Cash Conversion & Balance Sheet (BS) Strength

- Positive Cash Flow from Operations (CFO) of INR 260 Crores, 12<sup>th</sup> consecutive quarter of positive CFO
- Healthy BS (Net debt free status) with C&CE in excess of INR 100 crores



## EPC : Calibrated Approach

- 5% revenue growth YoY led by calibrated & value accretive scaling
- Consolidation of leadership in Illumination (sequential growth of c.18% on QoQ basis)
- Carry Forward Order Book of INR 964 crores (Illumination – 160 , PT - 782 , PD - 22 crores)

## Financial Overview : Q4 FY'22

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

(All fig. in INR Crores)

# Profit & Loss (P&L) Statement



Particulars	Q4 FY'22	Q4 FY'21	YoY Gr (%)	Q3 FY'22
Net Sales	1,334	1,258	6.0 %	1,320
Less : COGS	988	891	10.9 %	951
<b>Gross Margin</b>	<b>346</b>	<b>367</b>	<b>(5.7) %</b>	<b>369</b>
Staff Cost	92	103	(10.1) %	99
Other Expenses	191	192	(0.6) %	178
Less : Dep. & Amortisation	18	18	(0.2) %	17
Add : Other Income	21	31	(31.6) %	18
<b>EBIT</b>	<b>66</b>	<b>86</b>	<b>(22.4) %</b>	<b>92</b>
<b>As % of Net Sales</b>	<b>5.0%</b>	<b>6.8%</b>		<b>7.0%</b>
Less : Finance Cost	11	11	(1.6) %	16
<b>PBT</b>	<b>56</b>	<b>75</b>	<b>(25.4) %</b>	<b>76</b>
Less : Exceptional Items	4	3	22.0 %	10
Less : Taxes	13	18	(23.1) %	18
<b>PAT</b>	<b>39</b>	<b>54</b>	<b>(28.7) %</b>	<b>48</b>
<b>As % of Net Sales</b>	<b>2.9%</b>	<b>4.3%</b>		<b>3.6%</b>

## Commentary

### Gross Margin :

- Decline in excess of 300 bps mainly on a/c of rise in input costs

### Other Expenses

- Impairment of property, plant and machinery to the tune of INR 8 crores nullified by operating leverage

### Staff Cost

- Improved employee productivity

### Finance Cost

- Includes non-comparable INR 4.6 crores vs LY (Vendor financing & interest on SLL debt)

### Exceptional Items

- VRS at Shikohabad factory amounting to INR 4 crores



# Segment Details

## Segment Revenue

Particulars	Q4 FY'22 (in Crores)	Q4 FY'21 (in Crores)	YoY Gr (in %)	Q3 FY'22 (in Crores)
Consumer Products	1,038	975	6.4 %	1,080
EPC	296	283	4.7 %	240
<b>Total Revenue</b>	<b>1,334</b>	<b>1,258</b>	<b>6.0 %</b>	<b>1,320</b>

## Segment Results

Particulars	Q4 FY'22		Q4 FY'21		Q3 FY'22	
	EBIT (Cr)	EBIT(%)	EBIT (Cr)	EBIT(%)	EBIT (Cr)	EBIT(%)
Consumer Products	64	6.2 %	85	8.7 %	97	9.0 %
EPC	7	2.4 %	(8)	(2.8) %	(5)	(2.0) %
<b>Total*</b>	<b>66</b>	<b>5.0 %</b>	<b>86</b>	<b>6.8 %</b>	<b>92</b>	<b>7.0 %</b>

\*includes other unallocable income & expense

## Commentary

### CP Segment :

- Flattish volume due to subdued rural demand & lower offtake in E-Com
- Gross Margin & EBIT dilution in excess of 200 bps mainly on a/c of commodity headwinds (no price-hikes taken in Q4)

### EPC Segment :

- Illumination BU continues its scaling & MS gains (yet another quarter of strong performance clocking revenue > INR 150 crores)
- PD & PT on a combined basis clocked revenue in excess of INR 100 crores with a near breakeven exit

# Operational Highlights

## Category Growth

Particulars	Q4 FY'22 (in Crs)	Q4 FY'21 (in Crs)	YoY Gr (in %)	Q3 FY'22 (in Crs)
Appliances	448	473	(5.3) %	682
Fans	419	343	22.3 %	198
Lighting	130	99	31.9 %	130
Morphy Richards	40	61	(35.0) %	69

## Receivables Movement

Particulars	Mar'22 (in Crs)	Dec'21 (in Crs)	Sep'21 (in Crs)	Mar'21 (in Crs)
Consumer Products (CP)	450	583	539	492
Power Distribution (PD)	486	556	674	972
Power Transmission (PT)	245	244	231	255
Illumination	179	201	212	198
<b>Total</b>	<b>1,361</b>	<b>1,584</b>	<b>1,657</b>	<b>1,917</b>

## Commentary

### Fans :

- > 20% growth on YoY basis backed by 130+ new launches in last 2 years (mainly premium & decorative)

### Lighting :

- >30% growth on YoY basis aided by launches in value accretive sub-segments (Panels, Battens, D/Ls)

### Appliances :

- De-growth on back of base effect, however 2-year CAGR at c.14%

### Receivables :

- Synchronised reduction across BU's because of rigorous monitoring
- Sequential reduction in Power Distribution o/s : Collection of INR 70 crores in Q4

# Cash Flow Summary

(All fig. in INR Crores)



Particulars	Q4 FY'22	Q4 FY'21
Profit Before Tax	52	72
Adjustments for :		
• Non-Cash items	3	27
• (Increase) / Decrease in WC	208	(61)
• Taxes Paid	(3)	12
<b>Net Cash from Operating Activities (A)</b>	<b>260</b>	<b>49</b>
Capital Expenditure (net of sale proceeds)	(17)	(20)
Miscellaneous Items	(1)	(28)
<b>Net Cash (used in) /from investing activities (B)</b>	<b>(18)</b>	<b>(47)</b>
Proceeds from issues of shares (net of issue expenses)	2	5
Proceeds/ (Repayment) of Borrowings	(155)	29
Payment of Lease Liabilities	(4)	(7)
Interest Paid	(10)	(12)
<b>Net Cash (used in) /from financing activities (C)</b>	<b>(168)</b>	<b>15</b>
Net increase / (decrease) in Cash & Bank balances	74	18
Opening Balance of Cash/Bank Balances	45	28
<b>Closing Balance of Cash/Bank Balances</b>	<b>119</b>	<b>46</b>

## Commentary

### WC release on a/c of :

- Inventory lower by INR 80 crores (aided by summer product sales of CP BU)
- Trade receivables collections led by centralized monitoring (INR 70 crores from PD receivables & healthy imp. In CP and Illumination)

### Capex :

- Investment of INR 14 crores towards PP&E (dies, jigs)

### Repayment of Borrowings :

- Repaid to the tune of INR 155 crores, achieving net-debt free status

### Robust C&CE :

- Strong cash position (> INR 100 crores)

# Debt Position

(All fig. in INR Crores)

Particulars	As on Mar'22	As on Dec'21	As on Mar'21
Gross Debt*	45	201	471
Less: Cash & Cash Equivalent	119	45	46
<b>Net Debt</b>	<b>(74)</b>	<b>156</b>	<b>425</b>
<b>Net Worth</b>	<b>1,705</b>	<b>1,659</b>	<b>1,578</b>
<b>Net Debt / Equity (x)</b>	<b>NA</b>	<b>0.1</b>	<b>0.3</b>

\*includes INR 23 crores with scheduled repayment dates in Aug'22 & Aug'23

## CRISIL ratings :

1. Total Bank Loan Facilities for INR 2,000 crores :
  - Long Term Rating – CRISIL A+ (with Developing Implications')
  - Short Term Rating – CRISIL A1+ (with Developing Implications')
2. Short term debt of INR 100 crores : CRISIL A1+

## Business Highlights

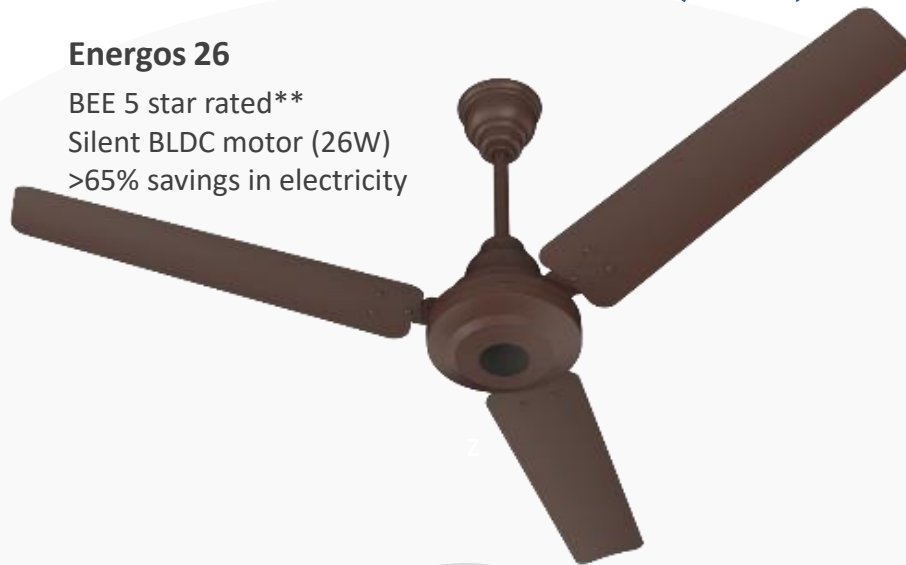
- New Launches (Consumer Products, Illumination)
- Brand Campaigns (Consumer Products)
- Project Update (Power Transmission, Distribution)
- Awards & Recognitions

## New Product Launches (Fans)



### Nuvo

Silent BLDC Motor  
Table Cum Pedestal Fan  
with Remote Control



### Energos 26

BEE 5 star rated\*\*  
Silent BLDC motor (26W)  
>65% savings in electricity



### Dominus

Silent BLDC motor  
26 speed functions  
18 Blades with remote control

56\*  
Launches  
in Q4

# New Product Launches (Appliances & Lighting)



## Juvel MG

800W Titan motor with Nutri-Pro feature, 40% faster grinding, Jar lock mechanism

## Juvel Digital MG

800W Titan Motor with Nutri-Pro feature & Preset Menus



25\*  
Launches  
in Q4



## 4B Gas Stove

With Auto ignition  
Toughened Glass top  
Stainless Steel frame

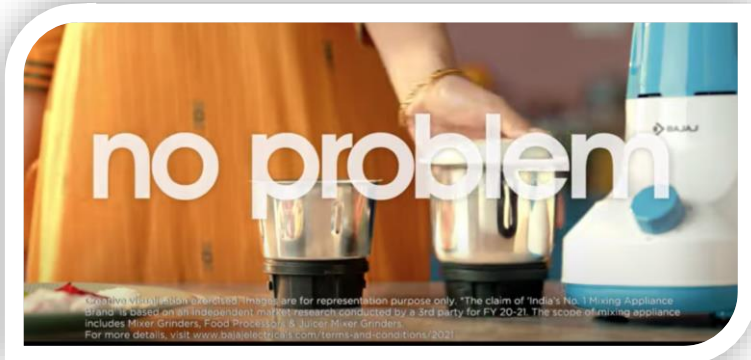
## Hyperion Downlighter

Recessed LED; available in various colours



# Brand Campaigns (Consumer Products)

## Pongal Mixer Grinder Campaign (AP & Karnataka)



## Air Cooler Campaign (PAN India)





## New Product Launches (Illumination)



### Arian Plus Post Top

Landscape lighting with high efficiency (100 LPW)



### Supremo

Most efficient Solar Streetlight (195 LPW)

106\*  
Launches  
in Q4



### Prize

Broad Beam Floodlight series  
(range 150 to 200 LPW)



### Gleam

Low wattage floodlight  
for small junction &  
periphery lighting

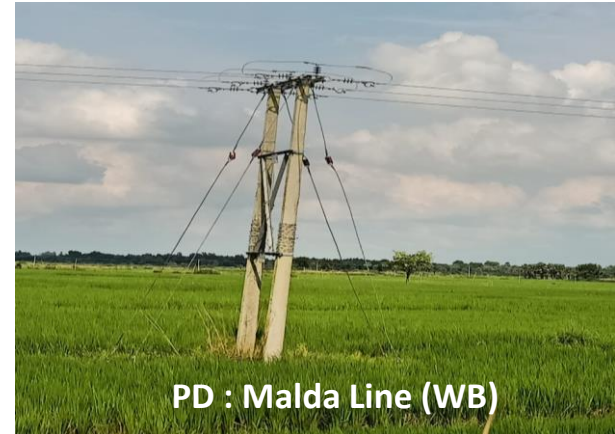
## Power Transmission (PT)

- Orders worth INR c.480 crores secured (c.90% from PGCIL & c.80% in core transmission segment)
- **L1 in orders worth INR 107 crores** (c.70% domestic & c.30% international)
- c.210 c-kms of transmission line commissioned in Q4 FY'22



## Power Distribution (PD)

- Operational closure of Malda line in West Bengal
- Robust collections **in excess of INR 450 crores during FY'22** (impetus on financial closure subsequent to operation closure)



# Awards & Recognitions



**BAJAJ**  
Bajaj Electricals Ltd.  
*Inspiring Trust*

is a



**Great Place To Work**  
Certified  
MAR 2022 - MAR 2023  
INDIA

**GREAT PLACE TO WORK** *again!*



**BAJAJ**  
Bajaj Electricals Ltd.  
*Inspiring Trust*



**Great Place To Work**  
Certified  
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INDIA



**GOOD DESIGN**

We are proud to have won the  
**GOOD DESIGN®**  
Award 2021  
for our air cooler  
Bajaj Skive TMH36

# Corporate Initiatives

- Portfolio Updates
- Brand Licensing : Morphy Richards
- Technology Partnership : Wtec
- ESG Framework

## Corporate Restructuring Update

- Conceptualisation of Vision & Carve-Out for Bajel Projects Ltd
- **Demerger scheme filed with Stock Exchanges** (awaiting approval)
- Governance structure in place to carry out seamless transition



## Starlite Lighting Ltd.

- **Scheme of Merger for absorption of Starlite Lighting Ltd (SLL) filed with NCLT** on 10<sup>th</sup> Feb'22
- Meeting of Shareholders to be held on 31<sup>st</sup> May'22

## Nirlep Appliances Pvt. Ltd.

- Company has completed the procedure towards purchase/acquisition of remaining 2,671 (0.37%) equity shares in Nirlep Appliances Private Limited (Nirlep)
- The entire 100% equity share capital of Nirlep is now legally and beneficially held by BEL and consequently, **Nirlep has now become a wholly-owned subsidiary (WOS) of BEL**

# Brand Licensing : Morphy Richards



L-R: Fergal Naughton, Executive Chairman, Glen Dimplex; Shekhar Bajaj, CMD, Bajaj Electricals, Anuj Poddar, ED, Bajaj Electricals

- Extension of Exclusive license for further **15 years** w.e.f. 1<sup>st</sup> July'22
- Endeavour for superior value creation in India & neighboring territories

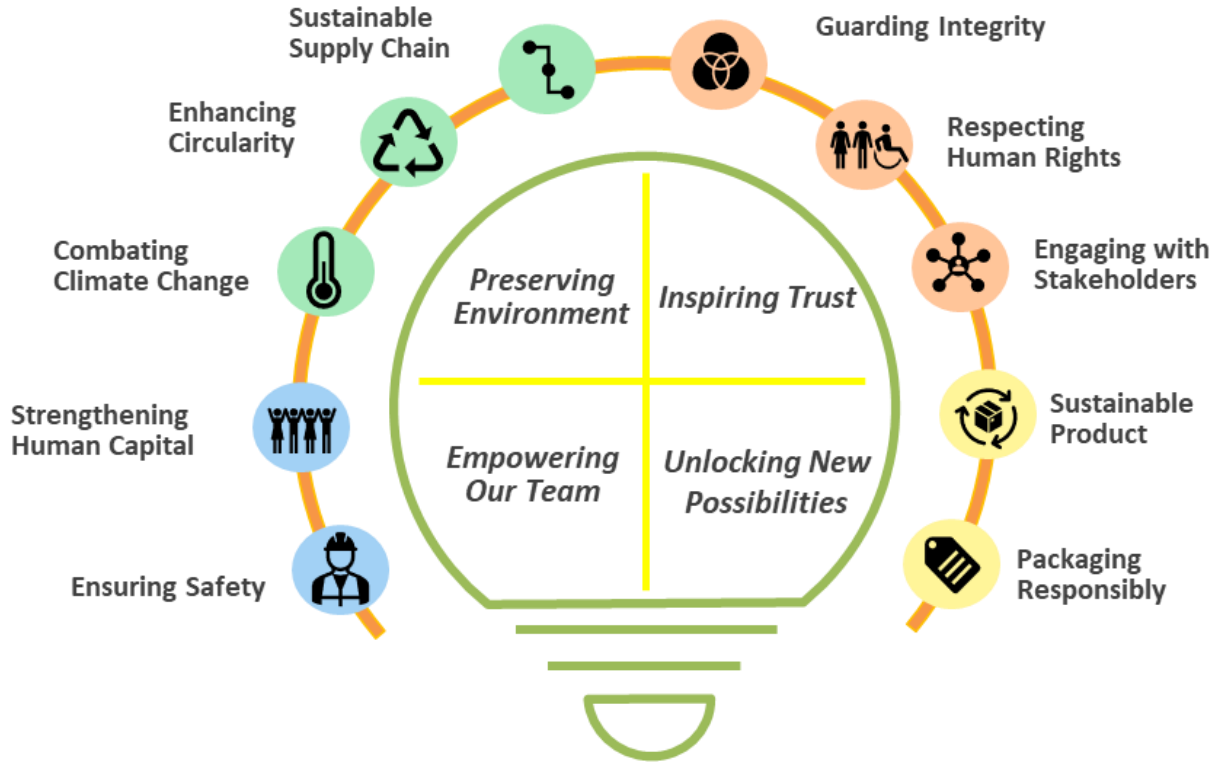


# Technology Partnership : Wtec



- To provide **smartengine** (intelligent building technology) for network-powered lighting & sensor infrastructure in India
- Energy-efficient smart lighting based on **fine-mesh sensor network** (potential energy saving to tune of 30-75%)
- Partnership aimed to bring disruptive technology to significantly impact infrastructure operations in terms of smarter solutions, efficiencies in operations, and cost savings

# ESG Initiatives & Framework



1

**ESG Purpose**

4

**Strategic Pillars**

10

**Focus Areas**

**Our Purpose : "Inspiring Sustainable Living"**



Thank You

## Annexures (FY'22 Statements)

- Profit & Loss (P&L)
- Balance Sheet (BS)
- Cash Flow (CF)

(All fig. in INR Crores)

## Profit & Loss (P&L) Statement : FY'22



Particulars	FY'22	FY'21	YoY Gr (%)
Net Sales	4,813	4,585	5.0%
Less : COGS	3,425	3,239	5.7%
<b>Gross Margin</b>	<b>1,388</b>	<b>1,345</b>	<b>3.2%</b>
Staff Cost	401	395	1.7%
Other Expenses	736	648	13.7%
Less : Dep. & Amortisation	69	75	(7.9) %
Add : Other Income	68	69	(1.3) %
<b>EBIT</b>	<b>249</b>	<b>297</b>	<b>(16.1) %</b>
<b>As % of Net Sales</b>	<b>5.2</b>	<b>6.5</b>	
Less : Finance Cost	70	76	(8.8) %
<b>PBT</b>	<b>180</b>	<b>221</b>	<b>(18.7) %</b>
Less : Exceptional Items	13	(25)	
Less : Taxes	42	57	(26.9) %
<b>PAT</b>	<b>124</b>	<b>189</b>	<b>(34.2) %</b>
<b>As % of Net Sales</b>	<b>2.6</b>	<b>4.1</b>	

# Balance Sheet Statement

(All fig. in INR Crores) 

Particulars	FY'22	FY'21	Particulars	FY'22	FY'21
<b><u>Assets</u></b>			<b><u>Equity &amp; Liabilities</u></b>		
<b><u>Non-Current Assets</u></b>			Share Capital	23	23
Fixed Assets (incl. Goodwill)	797	549	Reserves & Surplus	1,709	1,555
Financial/Non-Financial Assets	398	621	Minority Interest	(26)	(0)
Income Tax/Deferred Tax Assets	185	128	<b>Total Equity</b>	<b>1,705</b>	<b>1,578</b>
<b>Total Non-current Assets</b>	<b>1,380</b>	<b>1,298</b>	<b><u>Non-current Liabilities</u></b>		
<b><u>Current Assets</u></b>			Borrowings	12	26
Inventories	998	986	Other – Non-current Liabilities	117	122
Trade receivables	1,140	1,512	<b>Total Non-current Liabilities</b>	<b>129</b>	<b>148</b>
Cash & Bank Balances	143	62	<b><u>Current Liabilities</u></b>		
Others – Financial/Non-Financial	331	410	Short-term Borrowings	33	445
<b>Total Current Assets</b>	<b>2,612</b>	<b>2,970</b>	Trade Payables	1,235	960
<b>Total Assets</b>	<b>3,992</b>	<b>4,268</b>	Others – Current Liabilities	889	1,136
			<b>Total Current Liabilities</b>	<b>2,158</b>	<b>2,542</b>
			<b>Total Equity &amp; Liabilities</b>	<b>3,992</b>	<b>4,268</b>

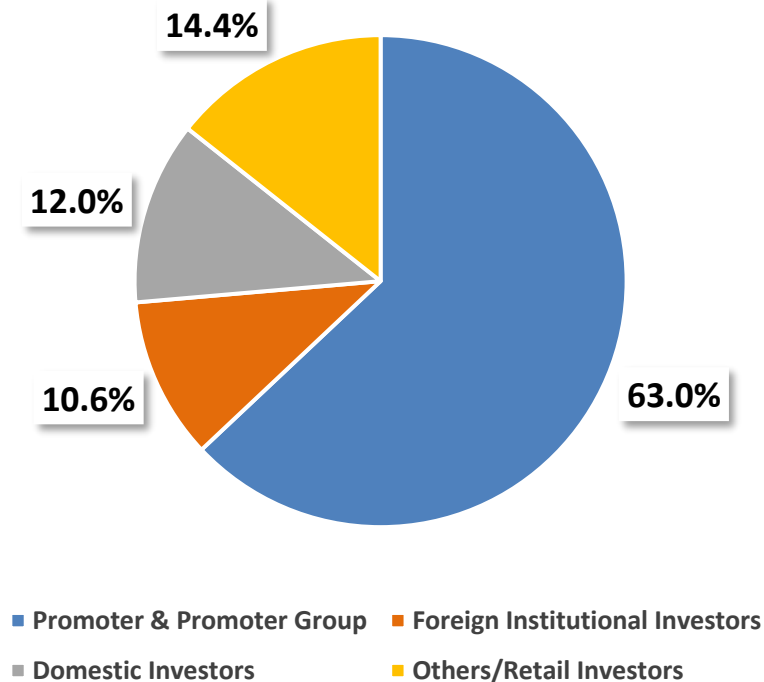
# Cash Flow Summary

(All fig. in INR Crores)

Particulars	FY'22	FY'21
Profit Before Tax	166	246
Adjustments for :		
• Non-Cash items	128	100
• (Increase) / Decrease in WC	665	324
• Taxes Paid	(45)	(12)
<b>Net Cash from Operating Activities (A)</b>	<b>914</b>	<b>658</b>
Investment for Control in Group Entities	(25)	0
Capital Expenditure (net of sale proceeds)	(43)	(21)
Miscellaneous Items	(3)	(90)
<b>Net Cash (used in) /from investing activities (B)</b>	<b>(71)</b>	<b>(110)</b>
Proceeds from issues of shares (net of issue expenses)	14	10
Proceeds/ (Repayment) of Borrowings	(640)	(520)
Payment of Lease Liabilities	(18)	(27)
Interest Paid	(127)	(68)
<b>Net Cash (used in) /from financing activities (C)</b>	<b>(771)</b>	<b>(604)</b>
Net increase / (decrease) in Cash & Bank balances	72	(56)
Opening Balance of Cash/Bank Balances	46	102
Acquired on Business Combination	1	0
<b>Closing Balance of Cash/Bank Balances</b>	<b>119</b>	<b>46</b>

# Shareholding Information

Pattern as on 31<sup>st</sup> March, 2022



For IR related queries

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