

Bajaj Elec fast-tracks delayed tower units

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Bajaj Electricals is looking to fast-track completion of transmission line tower (TLT) projects which have run into significant time and cost overruns and are hurting the performance of its engineering and projects (E&P) division.

Hit by the delays, the E&P segment's revenues for the quarter ended September 30 fell 22.5% at ₹132.71 crore.

Shekhar Bajaj, chairman and managing director, Bajaj Electricals, told *DNA Money*, "We realised that until we don't complete the site and hand it over, we would not get our last payment and the retention money does not come by as well. Therefore, we decided to work on the sites and close as many as possible," he said.

As on April 2011, Bajaj Electricals had 24 active TLT sites.

While some of them have been closed in the last fiscal, about nine sites will be closed this fiscal, the company said.

"We are hoping that by the end of March 2013 we should be able to bring the overall number down to six sites and begin the next fiscal on a positive note," said Bajaj, adding that another five will be completed by September.

Some of the recent orders, Bajaj said, offered reasonable margins and are more profitable in the long run.

In the fans business, it is look-

▶ Bajaj Electricals

Share price on BSE in ₹



ing to strengthen itself in the premium segment in which it has been going slow for sometime.

Anant Bajaj, joint managing director, Bajaj Electricals, said, "We are introducing a range of premium products which will add significantly to our sales in the coming quarters."

With the subsidised gas cylinders per household coming down to six a year, the firm sees huge opportunity for its induction cookers. "Last year induction cookers registered sales of ₹100 crore and we are looking at ₹150 crore this fiscal," said Bajaj.

The company reported 7.8% year on year growth in net profit for the second quarter at ₹26.92 crore, while net sales rose 4.7% to ₹733.81 crore. During the quarter, lighting and consumer durable segments achieved total revenue of ₹201.65 crore and ₹398.69 crore, respectively.

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