

Bajaj Electricals Q4 profit plummets

Our Bureau

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Consumer durables firm Bajaj Electricals' net profit plummeted sharply by almost 98 per cent to Rs 0.62 crore in the fourth quarter ended March 31, 2013, as against a net profit of Rs 49 crore in the year ago period.

Net sales for the quarter increased marginally by 5 per cent to Rs 1,114 crore (Rs 1,059 crore), the company said in a statement.

MARGINS UNDER PRESSURE

While growth came in from consumer durables and lighting segments at 22.4 per cent and 14.9 per cent respectively, the engineering and projects segment got impacted due to a slowdown in the real estate and infrastructure sector.

Shekhar Bajaj, Chairman and Managing Director, said margins continued to be under pressure. Besides, the company, in its efforts to close overrun sites, incurred additional expenditure, and had also written-off outstanding amounts.

"This is a onetime hit and is not likely to recur in the future as the management has taken appropriate measures to monitor the projects performance on a continuous basis and take timely corrective actions to ensure the completion of projects as per schedule to avoid cost and time over run," Bajaj said.

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