



Date: November 01, 2020.

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Dear Sir,

Ref : Script Id "BAJAJHCARE", Script Code "539872".
Sub : Earning Updates for the Quarter and half year ended 30th September, 2020.

In terms of regulation 30 of SEBI (LODR) Regulations, 2015, please find attached herewith Earning Updates for the Quarter and half year ended 30th September, 2020

Kindly take the same on record.

Thanking you,

**For and behal fo Board of Director of
Bajaj Healthcare Limited**

A handwritten signature in black ink, appearing to read 'Aakash Keshari', enclosed in a hand-drawn oval.

**Aakash Keshari
Company Secretary**

BAJAJ HEALTHCARE LIMITED

Registered Office: 602-606, Bhoomi Velocity Infotech Park, Plot No: B-39, B-39A, B-39A/1, Road No. 23, Wagle Ind. Estate, Thane (West), Thane - 400604

Tel. : + 91 22 66177400/ 401; Fax : +91 22 66177458; E-mail : bajajhealth@bajajhealth.com

CIN No. L99999MH1993PLC072892



CIN:L99999MH1993PLC072892

Registered Office:602-606, Bhoomi Velocity Infotech Park, Plot No. B-39, B-39A, B-39 A/1,
Rd No.23, Wagle Ind. Estate Thane West, Mumbai – 400604.

Q2 & H1 FY21 – Earning Updates

Revenue from Operations reported at **Rs. 2,066.34 Mn in Q2** and **Rs. 3,464.68 mn for H1 FY21**

EBITDA stands at **Rs. 344.02 Mn in Q2** and **Rs. 606.51 mn for H1 FY21**

PAT at **Rs. 201.17 Mn in Q2** and **Rs. 354.08 mn for H1 FY21**

Thane, 29th October 2020: Bajaj Healthcare Limited (BHL) has announced that the Company in its meeting of the Board of Directors held on 29TH October 2020 has inter-alia considered and approved the following:

- Approved the Unaudited Financial Results of the Company for the Second Quarter and H1 Ended on 30th Sept, 2020.

A. Financial Statement Highlights for Q2 FY 21 v/s Q2 FY 20

Particulars (INR MN)	Q2 FY 20	Q2 FY 21
Revenue from Operations	1,005.46	2066.35
Other Income	1.17	20.95
Total Revenue	1,006.63	2087.30
Total Expenses	961.26	1,804.73
EBITDA	90.63	344.02
EBITDA Margin (%)	9.00%	16.48%
Depreciation	29.52	39.75
Finance Cost	15.74	21.71
PBT with Exceptional Item	45.36	282.56
Exceptional Items	-	-
PBT	45.36	282.56
Current Tax	11.00	82.66
Earlier Years	2.05	-
Deferred Tax	-0.06	-1.26
Tax	12.99	81.40
PAT	32.37	201.17
Other comprehensive profit / loss	-	-
Net PAT	32.37	201.17
PAT Margin %	3.22%	9.64%
Diluted EPS	2.35	14.58

Financial Performance Comparison – Q2 FY20 v/s Q2 FY21

- Revenue from operations increased by 105% from INR 1,005 mn in Q2 FY20 to INR 2066 mn in Q2FY21 mainly driven by strong performances of our products across the board.
- The EBITDA increased by 279.58% from INR. 90.63 mn in Q2 FY20 to INR. 344.02 mn in Q2 FY21 mainly driven by sales growth and owing to better realisation.
- Finance cost increased by 37.93% from INR. 15.74 mn in Q2 FY20 to INR. 21.7 mn in Q2 FY21.
- Net profit stood at INR. 201.17 mn in Q2 FY21, compared to 32.37 mn in Q2 FY20.
- PAT margins increased to 9.64% in Q2 FY21 from 3.22% in Q2 FY20

Financial Statement Highlights for H1 FY21 v/s H1 FY 20

Particulars (INR MN)	H1 FY 20	H1 FY 21
Revenue from Operations	1,922.40	3,464.68
Other Income	3.19	29.97
Total Revenue	1,925.59	3494.64
Total Expenses	1,834.07	3,007.73
EBITDA	184.47	606.51
EBITDA Margin (%)	9.58%	17.36%
Depreciation	58.94	77.40
Finance Cost	34.01	42.20
PBT with Exceptional Item	91.52	486.91
Exceptional Items	-	-
PBT	91.52	486.91
Current Tax	25.00	140.00
Earlier Years	2.05	
Deferred Tax	-0.30	-7.17
Tax	26.75	132.83
PAT	64.77	354.08
Other comprehensive profit / loss	-	-
Net PAT	64.77	354.08
PAT Margin %	3.36%	10.13%
Diluted EPS	4.69	25.66

Financial Comparison Summary of H1 FY21 v/s H1 FY20

- Income from operation recorded a growth by 80% from Rs 1,922.40 mn in H1 FY20 to Rs. 3,464.68 mn in H1 FY21 mainly driven by strong performance of our products across the board.
- The EBITDA increased by 228.78% from Rs.184.47 mn in H1 FY20 to Rs. 606.51 mn in H1 FY21 and an exponential gain in the EBIDTA margins from 9.58% in H1 FY20 to 17.36% in H1 FY21 mainly driven by sales growth and owing to better realisation.
- Net profit stood at Rs. 354.08 mn in H1 FY21, compared to Rs. 64.77 mn in H1 FY 20 recorded an absolute growth of 446.67%
- Net Cash flow from operations increased by 33.4% from Rs. 150.5 mn in H1 FY20 to Rs. 200.82 mn in H1 FY20

- Total Fixed Asset grew by 41.06 % from Rs. 1266.09mn in H1 FY 20 to Rs. 1786.00 mn in H1 FY21
- Current Assets stood at Rs. 2192.32 mn in H1 FY21, compared to Rs. 1,413.23 mn in H1 FY20
- Long term borrowing stood at Rs. 378.4 mn in H1 FY21, compared to Rs. 201.47 mn in H1 FY20 and Short term borrowing at Rs. 731.90 mn for H1 FY21, compared to Rs. 548.54 mn in H1 FY20
- Finance Cost increased by 24% from Rs. 34.01 mn in H1 FY20 to Rs. 42.2 mn in H1 FY21 on account of increase in the long term & short term borrowing.
- ROCE improved from 7.9% in H1 FY20 to 24.8% in H1 FY21 and ROE improved from 4.8% in H1 FY20 to 16.6% in H1 FY21.
- ROCE as on 31st March 2020 (12 months) was 21.7% vis-a-vis 24.8% as on 30th September 2020 (6 months), whereas ROE as on 31st March 2020 (12 months) was 14.8% vis-à-vis 16.6% as on 30th September 2020 (6 months).

A. Operational Highlights

- **Chlorhexidine Base:** In today's environment, consumers globally have a heightened interest in personal health and hygiene, and it's driving high demand for efficacious, trusted solutions those are offered by BHL. The price of CHG solution has corrected in this quarter in comparison with the last quarter whereas the production capacity remained in consistent with the last quarter (i.e. 250 Mt/pm). Chlorhexidine Gluconate is a well-known API's in the medical field to provide or enhance antiseptic properties including oral rinse, medical dressings, disinfectant etc. It is available in various dosage forms like oral rinse/mouthwash, skin wipes, antiseptic skin cleanser, sanitizer, toothpaste, and antiseptic cream.
- **Formulation Business:** The demand in the domestic market is normal as of now but movements of Medical Representatives are restricted in certain parts of the country. To address this, companies are using telephonic and digital marketing channels to push their products. Our formulation business has grew significantly by **256%** from Rs. 131.05mn in H1FY20 to Rs. 466.88 mn in H1FY21 and by **129%** from Rs. 141.86mn in Q1FY21 to Rs. 325.02 in Q2FY21 mainly on account of business from our existing clients and addition of few new clients in this quarter along with significant improvement in the EBIT margin from Rs. (10.48) mn in H1FY20 to Rs. 82.11 mn in HYFY21
- **Updates on the units acquired from Saraswat Co-operative Bank Limited under The Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (referred to as the "SARFAESI"):** As per the agreement, BHL had paid balance 75% of the purchase consideration amounting to Rs. 457.50 Mn in the month of October, 2020. The said amount was raised from bank in the form of Term loan. BHL expects to commence the commercial operations from Q4 of FY 2021

B. Management Comments

Commenting on the performance of Q2 FY21, Mr. Sajankumar Bajaj (Chairman)

"We have had another strong quarter and first half of recording strong profits in our business, which demonstrated the durability of our business despite the challenges that the COVID-19 pandemic has presented."

*Our strong performance in the first half of the year highlights the resiliency of our business even during the most challenging times. From the last quarter, Gross revenues in our API business grew by **38.4%** operationally, driven primarily by the ongoing strong performance & growth from our leading APIs; Our formulation business grew significantly by **129%** mainly on account of the business from our existing clients and addition of few new clients in this quarter.*

Our team combines the vision with sharp focus on day-to-day execution, delivering strong, well-balanced results across the enterprise. We strongly believe that our strategies, our capabilities and our focus on execution position us very well for continued performance”

Guidance for FY21

- BHL is expecting similar upside in the total revenue from operations in the coming quarters of FY21, due to higher sales volume, mainly driven by enhancement in the production and demand, as well as price appreciation in few of our key products.
- There will be further margin accretion in FY 21, as expected by the management on account of backward integration, better realisation and volume growth from our key products.

About Bajaj Healthcare Limited

Bajaj Healthcare Limited a leading manufacturer of APIs, Intermediates and Formulations established in the year 1993. It specializes in manufacturing of Intermediates, API, formulations & Nutraceuticals. The company has state-of-art manufacturing facilities, of which 3 units are dedicated to APIs, 2 units to Intermediates and 1 unit for formulation. These facilities are designed to meet the requirements of both advanced as well as emerging market opportunities. BHL has a strong presence globally in countries like Europe, USA, Australia, Africa, Middle East and South America.

For further information on the Company, please visit www.bajajhealth.com

Rupesh Nikam (CFO)

Bajaj Healthcare Limited

Contact: +91 22 6617 7400

Email: investors@bajajhealth.com

Krunal Shah/ Vinayak Shirodkar

Captive IR Strategic Advisors Pvt. Ltd.

Contact: +91 22 4347 2247

Email: krunal@cap-ir.com/Vinayak@cap-ir.com

Disclaimer:

CERTAIN STATEMENTS IN THIS DOCUMENT MAY BE FORWARD LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES LIKE GOVERNMENT ACTIONS, LOCAL POLITICAL OR ECONOMIC DEVELOPMENTS, TECHNOLOGICAL RISKS, AND MANY OTHER FACTORS THAT COULD CAUSE OUR ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY THE RELEVANT FORWARD-LOOKING STATEMENTS. BAJAJ HEALTHCARE LTD WILL NOT BE IN ANY WAY RESPONSIBLE FOR ANY ACTION TAKEN BASED ON SUCH STATEMENTS AND UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT SUBSEQUENT EVENTS OR CIRCUMSTANCE.